



Daily Report

East Asia

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Japan

Tokyo Reacts 'Calmly' to U.S. Trade Paper

OW0104025294 Tokyo KYODO in English 0236 GMT
1 Apr 94

[Text] Tokyo, April 1 KYODO—The Japanese Government reacted calmly Friday to a U.S. report naming Japan as guilty of unfair trade practices and renewed a call for a breakthrough in the stalled bilateral trade negotiations.

"As a whole, the report is harsh on us, but it does not mean it automatically leads to a unilateral action from Washington," Chief Cabinet Secretary Masayoshi Takemura told a news conference. "We do not have to swing from joy to sorrow on each item listed as a trade barrier," the top government spokesman added.

On Thursday, the U.S. Government issued an annual report accusing Japan and scores of other countries of maintaining trade barriers against U.S. goods and services. The thrust of this year's report on foreign trade barriers centers on obstacles the U.S. says Japan has erected against foreign goods.

The report, which serves as the basis for possible unilateral action by the U.S. Government against its trade partners, lists 43 trade barriers in Japan under seven industry categories.

Takemura also reiterated hopes for an early resumption of the deadlocked "framework" trade talks, with Tokyo taking necessary steps to further open its markets to foreign competition as pledged earlier this week.

The bilateral trade negotiations collapsed at the summit between Prime Minister Morihiro Hosokawa and President Bill Clinton on February 11 due to a gulf over a U.S. demand for setting numerical targets to gauge the openness of Japan's markets.

The United States posted a record 59.3 billion dollar trade deficit with Japan in 1993, according to U.S. Commerce Department figures.

Japanese Finance Ministry figures put Japan's 1993 surplus in trade with the U.S. at 50.19 billion dollars.

Deputy Foreign Ministry Spokesman Kishichiro Amae criticized the U.S. trade document at a press conference later in the day.

Amae said he thinks the U.S. trade document was published before the U.S. studied the outline of Japan's external economic reform measures hammered out earlier this week.

"For example, all the items concerning government procurement of telecommunications and medical devices can be added in that list. A sufficient response to the contents of those items has already been described in the outline," he said.

He also touched on a reference in the U.S. document which said "it is apparent that Japanese barriers form a heavy burden on the world trade system and that the Japanese economy is more highly controlled and regulated than any other."

"Any such approach using 'Japan as unique theory' is fundamentally unfounded and is a major problem in terms of the important relations of trust between Japan and the United States," Amae said. He said Japan considers it important to "make steady progress" on what needs to be done by June and seek a breakthrough in the framework talks.

Kumagai, Hata on Impact of U.S. Trade Report

OW0104044094 Tokyo KYODO in English 0359 GMT
1 Apr 94

[Text] Tokyo, April 1 KYODO—Japan's trade minister voiced hope Friday [1 April] that this year's U.S. report on foreign trade barriers will not lead to sanctions against Japan. International Trade and Industry Minister Hiroshi Kumagai also suggested at a press conference that Japan would bring its case to the General Agreement on Tariffs and Trade (GATT), the world trade body, if the U.S. used the report as a basis for imposing trade sanctions.

Japan was among 39 countries and trade blocs the U.S. Government quoted as unfair traders in its annual trade barrier report published Thursday. The report lists 43 trade barriers in Japan under seven industry categories.

Meanwhile, Foreign Minister Tsutomu Hata told a separate press meeting that Japan should "not be now glad, now sad" with the annual report. "It is only a reference for the U.S. in specifying (unfair traders) at the end of September," he said. Washington plans to draw up a list of "priority" countries that will be subject to "Super 301" trade measures.

Hata also indicated that Japan has no fresh plans to allay the growing U.S. frustration with its trade deficit with Tokyo. He said Japan will focus on drafting macroeconomic measures which the market-opening package unveiled earlier this week suggested will be drawn up by June.

Minister on Chance of Immediate U.S. Sanctions

OW0104024994 Tokyo KYODO in English 0217 GMT
1 Apr 94

[Text] Tokyo, April 1 KYODO—A report issued overnight by the U.S. Trade Representative (USTR) putting Japan top of the list of nations with trade barriers is not intended to slap sanctions immediately against Japan, Finance Minister Hirohisa Fujii said Friday.

"The USTR report is just one step of the procedures under the super 301," Fujii told a regular press conference after a morning cabinet meeting. "Super 301" is a

retaliatory provision of a U.S. Trade Law recently reinstated by the Clinton administration. The report "does not mean a unilateral action against Japan," he said.

In its report for 1994, the USTR listed trade barriers in 39 nations and designated 49 sectors in seven fields for Japan.

Asked about Japan's market-opening measures launched Tuesday in hope of resuming the stalled "framework" trade talks with the United States, Fujii quoted U.S. Trade Representative Mickey Kantor as saying that "the U.S. is not discouraged, and the door is open." Fujii said, "we must actively take the measures decided voluntarily in the package."

Turning to domestic issues, Fujii called for swift enactment of the fiscal 1994 provisional budget that failed to become law Thursday, the last day before the fiscal year started Friday.

The government submitted the stopgap budget worth some 11 trillion yen to the Diet on Tuesday. The measure is intended to bridge a delay in approval by the Diet of the full budget for fiscal 1994.

The provisional budget passed the House of Representatives, but deliberations hit a snag in the House of Councillors on Thursday in furious debate over Prime Minister Morihiro Hosokawa's alleged stock dealings and loans.

Business Regrets U.S. 'Lack of Understanding'

*OW0104041594 Tokyo KYODO in English 0337 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—The Japanese business community expressed regret Friday [1 April] at a U.S. threat to take retaliatory action against Japan and other nations to pry open their markets for American goods and services. A U.S. Government report released Thursday accused Japan and other countries of trade barriers against American goods and services, warning that Washington might take action against them.

Takeshi Nagano, president of the Japan Federation of Employers Associations (Nikkeiren), said the U.S. stance shows that Washington has a "lack of understanding" of Japan's willingness to be a good partner of the United States.

Kohei Abe, president of the Federation of Electric Power Companies, said the U.S. accusation was "surprising," noting that the report argued that the Japanese industry's procurement from U.S. suppliers was insufficient. Abe said the industry will continue to purchase necessary equipment in a fair manner, without discrimination against foreign suppliers.

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, said Japan should carefully examine the contents of the report and take necessary steps to avoid possible U.S. sanctions.

Auto Industry Leader: Market Open to Foreigners

*OW0104125394 Tokyo KYODO in English 1243 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—The leader of Japan's automotive industry Friday [1 April] responded calmly to a U.S. report which declared Japan guilty of unfair trade practices. Yutaka Kume, head of the Japan Automobile Manufacturers Association, said it is not true that Japan has discriminated against foreign automakers and auto parts makers seeking to enter the nation's markets and will not do so in the future.

Kume, also chairman of Nissan Motor Co., made the remark after the U.S. Government released a report Thursday accusing Japan of maintaining trade barriers against foreign companies in the automotive sector, among others. He said his industry wants to try to make the United States understand that Japan's auto market is open for foreign countries to enter.

France's Foreign Minister Juppe Continues Visit

Opposes U.S. Trade Retaliation

*OW0104125894 Tokyo KYODO in English 1248 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—French Foreign Minister Alain Juppe and Japan's International Trade and Industry Minister Hiroshi Kumagai agreed Friday to oppose unilateral U.S. trade retaliation such as that mandated under the revived Super 301 Trade Law, Japanese officials said.

The law requires the U.S. Administration to annually identify countries maintaining trade barriers against its exports and to impose punitive tariffs if bilateral negotiations fail to remove such barriers.

Juppe, calling on Kumagai at the ministry, expressed hope that retaliatory rules such as the Super 301 will be abolished in global trade after member nations of the General Agreement on Tariffs and Trade (GATT) sign a final accord this month on the seven-year-old Uruguay Round of talks held under its auspices. GATT has called a ministerial conference in Marrakech, Morocco, from April 12 to 15 to sign the accord.

Juppe also told Kumagai that the Marrakech conference should focus on trade and the environment, the officials said.

Links UNSC Seat to Peacekeeping

*OW0104141694 Tokyo KYODO in English 1352 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—French Foreign Minister Alain Juppe reiterated Friday that Japan and Germany should become full permanent members of a revised U.N. Security Council [UNSC] but said it implies "assuming responsibilities" such as peacekeeping duties. "It shall seem fit that countries who

pursue their candidature (for permanent membership) proceed with constitutional reforms implied by such membership," Juppe told a news conference.

He was alluding to Germany's and Japan's pacifist postwar Constitutions restricting overseas troop deployment.

Tokyo enacted a law in 1992 empowering a limited overseas deployment of Self-Defense Forces (SDF) to assist U.N. peacekeeping operations but a legal provision bans the peacekeepers from joining activities that may involve the use of force. However, a constitutional amendment opening the door to participation in proposed peace enforcement units remains highly controversial in Japan.

Former Defense Agency Chief Keisuke Nakanishi quit last December following public outrage over a speech advocating a revision of the Constitution for armed peacekeeping missions.

Juppe said, nonetheless, the discussed revision of the 15-member Security Council remains a difficult problem, citing misgivings about the efficiency of a bigger council.

Should Japan and Germany, both northern nations, be awarded permanent seats, a number of countries from the southern hemisphere should also become permanent Security Council members to maintain "a certain geopolitical balance," Juppe said without elaborating.

Juppe, who met Japanese Foreign Minister Tsutomu Hata on Thursday, and Japanese Prime Minister Morihiro Hosokawa and other cabinet members Friday, said the top objective of his four-day visit is "to reestablish high-level dialogue" between Japan and France.

Juppe said he conveyed a message from French Prime Minister Edouard Balladur inviting Hosokawa to France.

He said he and Hata agreed to hold foreign ministerial talks in principle once a year and to promote regular meetings of senior ministry officials.

Japan and France will actively cooperate in the reconstruction of war-shattered Cambodia and coordinate measures to fight AIDS, he said.

Japan and France should nurture political dialogue on all international problems, he said, adding he and Hata also discussed security in the Asia-Pacific region, especially North Korea's alleged nuclear weapon program.

He called Pyongyang's refusal to allow full international inspections at a key nuclear facility "unacceptable" and "a behavior France condemns" because it involves "a great risk of nuclear proliferation." As a party to the Nuclear Nonproliferation Treaty (NPT), North Korea must accept inspections by the International Atomic Energy Agency (IAEA), he said.

He added he hopes North Korea "brings itself in compliance with international rules" since the U.N. Security Council adopted a statement Thursday urging Pyongyang to agree to a follow-on IAEA inspection at the controversial site.

"Japan must proceed in opening its markets," Juppe said, citing auto parts, aeronautics, public works and the insurance sector as special concerns but stressed that Paris is devoted to "multilateralism" in solving trade issues.

Following a trip to Kyoto, Juppe will leave for New Delhi on Sunday.

Discusses 'Concerns' Over DPRK

OW0104095194 Tokyo KYODO in English 0930 GMT
1 Apr 94

[Text] Tokyo, April 1 KYODO—Prime Minister Morihiro Hosokawa and French Foreign Minister Alain Juppe on Friday [1 April] discussed shared concerns over North Korea's alleged nuclear weapons development program, a Japanese Foreign Ministry official said. Calling on Hosokawa at his official residence, Juppe confirmed French concerns about Pyongyang's refusal of full international inspections of its nuclear sites, suspected of being used to produce nuclear weapons, the official said.

Juppe, who arrived in Tokyo on Thursday for a four-day stay, did not touch on Japan's aspirations to win a permanent seat on the United Nations Security Council, the official said. The French foreign minister voiced support on Thursday for Tokyo's bid to enter the council as a permanent member when meeting with his Japanese counterpart, Tsutomu Hata.

Juppe's visit is his third since assuming his post in April 1993. He visited Japan last April to attend a Group of Seven (G-7) joint ministerial meeting and in July to attend the summit meeting of leaders of the seven major economic powers.

The visiting minister reportedly sought further expansion of bilateral political, economic and cultural exchanges and beefed-up two-way visits of political leaders between the two countries.

Juppe also conveyed to Hosokawa French Prime Minister Edouard Balladur's invitation for him to visit France.

Hosokawa did not make any particular response, the official said. But government sources said that Hosokawa is likely to visit three European nations—Italy, France and Germany—in early May.

Kazuo Aichi, director general of the Defense Agency, told Juppe in a separate meeting that Japan will continue to observe the Nuclear Nonproliferation Treaty (NPT), denying it intends to become a nuclear power. "Japan will stick to its three non-nuclear principles in the future

and will oppose to an emergence of a new nuclear power," Aichi said, according to Defense Agency officials.

Aichi made the remarks in response to an international concern that Japan might go ahead with a program to develop nuclear weapons if North Korea possesses nuclear bombs.

In reply to another question from Juppe, Aichi said Japan has no intention to build up defense capability to cope with the tense situation on the Korean peninsula. "Functioning effectively with the present self-defense capability and the Japan-U.S. Security Treaty is the basis," for the stance, Aichi said.

Tokyo Backs UN Stand on DPRK Nuclear Issue

*OW0104032394 Tokyo KYODO in English 0258 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—Japan on Friday supported a United Nations call on North Korea to allow full international inspection of its nuclear facilities suspected of being used to develop nuclear weapons.

"The UN statement underlined what the international community wants North Korea to do to help resolve the issue of Pyongyang's suspected nuclear program through dialogue," Chief Cabinet Secretary Masayoshi Take-mura told a news conference. "We will support this statement," the top government spokesman said.

All 15 members of the UN Security Council, including China, a traditional ally of North Korea, agreed to issue the statement Thursday calling for Pyongyang to accept full inspections by the International Atomic Energy Agency.

Later in the day, Deputy Foreign Ministry Spokesman Kishichiro Amae also told a press conference that Japan supports the U.N. presidential [as received] statement on North Korea because it "clearly shows as a unified opinion of the world community" what North Korea should do to solve the problem through dialogue. He added that Japan "strongly wishes North Korea would pay serious attention to the statement."

"We also consider that the role of China, in her relationship with North Korea, is still very, very important," he said.

ROK's Kim Phones Hosokawa To Discuss DPRK

*OW0104100694 Tokyo KYODO in English 0925 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—South Korean President Kim Yong-sam renewed his call on Friday [1 April] for concerted action by South Korea, Japan and the United States to persuade North Korea to allay concerns that it is developing nuclear weapons capability. Kim telephoned Prime Minister Morihiro Hosokawa and said he highly evaluated the United Nations statement issued

Thursday calling on Pyongyang to allow full international inspection of its nuclear facilities, a Foreign Ministry official said.

In the 15-minute conversation, the premier replied that Japan will support the U.N. move to seek North Korea's acceptance of full inspections of nuclear sites suspected of being used to produce nuclear weapons, the official said.

Kim's telephone call was originally intended to relay the outcome of his recent visit to China to discuss the North Korean issue, the official said.

The South Korean president, who visited Japan shortly before his late March China visit, pointed out that China and Russia will also be needed to play a role in helping encourage Pyongyang to eliminate suspicion over its nuclear program. Noting that Seoul does not want Pyongyang to be isolated internationally, Kim also expressed hope that the communist country would agree to reopen dialogue with its southern neighbor to discuss the nuclear issue.

Hosokawa reportedly told Kim he wants to hold in-depth discussion on the topic with South Korean Foreign Minister Han Sung-chu, who arrives in Tokyo Sunday for a two-day visit.

Bangladesh's Zia Leaves After Official Visit

*OW0104101694 Tokyo KYODO in English 0948 GMT
1 Apr 94*

[Text] Osaka, April 1 KYODO—Bangladeshi Prime Minister Begum Khaleda Zia flew out of Osaka on Friday [1 April], capping a five-day official visit to Japan.

In summit talks with Prime Minister Morihiro Hosokawa in Tokyo on Tuesday, Zia was quoted as offering to drum up support for Japan's bid to become a permanent member of the United Nations Security Council. The 48-year-old premier said Bangladesh's support stems from its belief "that the leadership and positive posture of Japan are important for further strengthening the role of Asia in international relations."

During her visit, Japan pledged to extend a 23 billion yen official aid package to Bangladesh, Foreign Ministry officials said.

The pledge, covering two projects, was formalized in a ceremony to exchange notes between Foreign Minister Tsutomu Hata and Bangladesh Finance Minister Saifur Rahman, the officials said.

Food Agency To Relax Restrictions on Wheat

*OW0104080394 Tokyo KYODO in English 0740 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—The Food Agency will relax its restrictions on wheat imports to allow increased competition in the area, agency sources said Friday [1

April). The plan was revealed following a news report that the agency sets import shares for the trading companies through which it purchases rice and wheat for the public.

The report said the agency informs the 26 designated trading houses of their shares ahead of grain auctions, prompting grain traders to collude on bids.

Eijiro Hata, minister of agriculture, forestry and fisheries, defended the government procedures for buying grain at a press conference earlier in the day, while a Fair Trade Commission (FTC) official said it would be a violation of the Antimonopoly Law if the report is true.

Under the new agency plan for wheat imports, grain traders will be allowed to buy foreign wheat exceeding their quotas by up to 30 percent, instead of the 20 percent limit under current restrictions.

The decision was made in response to an FTC request for greater competition among wheat importers. Import ceilings for exceeding quotas have gradually increased from 5 percent in 1960 to 10 percent in 1973, and 20 percent in 1990.

In a further bid to loosen its controls on the wheat trade, the agency said it also invited prospective importers to be added to the current government-authorized 26. So far no traders have responded to the invitation, they said.

Government Decides on Dairy, Livestock Measures

OW3103154094 Tokyo KYODO in English 1422 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—The government decided Thursday [31 March] on 83.1 billion yen worth of measures to beef up the dairy and livestock industries for fiscal 1994, 2.2 times more than the previous year, government officials said. The stepped-up measures are aimed at stabilizing operations of the dairy and livestock industries based on the agreement at the conclusion of the Uruguay Round trade talks in December.

Of the total, 34.9 billion yen will be applied to the dairy industry and 48.2 billion yen will go to livestock farmers.

For the dairy industry, 14.6 billion yen will be used to streamline dairy business management by paying farmers 2 yen per kilogram of milk production. This measure is to continue from fiscal 1993.

The government will pay an additional 1 yen per kilogram to dairy farmers as an emergency subsidy to compensate for damaged pastures due to bad weather in 1993.

In the end result, despite the 1 yen cut in the government-guaranteed price of milk for fiscal 1994, farmers' revenue from milk production will be unchanged from the previous year.

The government sets its guaranteed producer prices for milk every year. When market prices for milk fall below the minimum level, the government buys up stocks to prevent further price declines.

Mexican Ambassador: 2 Banks Planned in Mexico

OW3103153794 Tokyo KYODO in English 1437 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Mexican Ambassador to Japan Sergio Gonzalez Galvez said Thursday [31 March] two Japanese banks will shortly start operations in Mexico.

At a press conference the ambassador declined to mention the names of the banks, but said there are two Japanese banks among the foreign banks which Mexico will allow to operate. He said the banks will invest a total of 20 to 40 million U.S. dollars each in Mexico.

Mexico has basically allowed no foreign banks to open hitherto, but the government has been lifting regulations on foreign banks in line with the North American Free Trade Agreement.

Tokyo, Nepal Agree on Airport Safety Program

OW3103131394 Tokyo KYODO in English 1153 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Japan will provide 4 billion yen to help improve safety at Kathmandu airport, where two plane crashes occurred within two months in 1992, government officials said Thursday [31 March]. The Japanese and Nepalese Governments have agreed on a program to equip the accident-prone airport with radars and other facilities as well as train air controllers, the officials said.

The Transport Ministry sent a controller and an engineer Thursday to Kathmandu for training the Nepalese. The government also plans to invite 30 to 40 controllers from the airport to Japan for training.

The planned refurbishing of the control facilities will be completed around fall in 1996.

The poor safety level at the airport came into the spotlight in 1992, when two plane crashes within a two-month period killed nearly 300 people.

On July 31, 1992, a Thai Airways Airbus crashed into a Himalayan ridge after trying to land at the airport, killing all 113 people on board, including 21 Japanese.

On September 28, a Pakistani airliner carrying 167 people crashed in a rainstorm near the airport, killing all aboard.

Kathmandu airport is considered tricky by pilots, who have to spiral down to the runway to avoid surrounding mountains. The airport has no radar and planes are guided in by radio beacon.

Diet Passes 50-Day Provisional Budget 1 Apr*OW0104134994 Tokyo KYODO in English 1340 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—The Diet on Friday night enacted a 50-day provisional budget for fiscal 1994 with a record outlay of 11.05 trillion yen to bridge the delay in Diet passage of the full fiscal 1994 budget worth 73.08 trillion yen.

The stopgap budget, effective the same day, was to be enacted Thursday but approval by the House of Councillors was delayed over opposition demands to summon a witness in connection with stock transactions done in the name of Prime Minister Morihiro Hosokawa's father-in-law.

The upper house budget committee had deadlocked since Thursday evening after the opposition Liberal Democratic Party demanded that a stock consultant, who has said the stock deal was Hosokawa's, be summoned to testify before the Diet as an unsworn witness. Hosokawa said it was conducted by his late father-in-law.

The ruling coalition had rejected but finally accepted the opposition demand Friday. Shozo Fujiki told reporters Wednesday that he arranged a 418 million yen loan for an aide of Hosokawa's from a stock investment company to help finance the purchase of 300 shares of telecommunications giant Nippon Telegraph and Telephone Corp. (NTT) in 1986 just after NTT went public.

The prime minister denied allegations that he personally had a hand in the 1986 purchase of the NTT shares.

The provisional budget was submitted to the Diet last Tuesday, approved by the House of Representatives on Wednesday and was sent to the upper house the same day.

Deliberations by the lower house on the full budget have yet to begin because the LDP and the Japanese Communist Party are refusing to participate in the budget debates due to dissatisfaction with Hosokawa's explanation concerning 100 million yen he says was a loan from the scandal-tainted Sagawa Kyubin trucking group.

The provisional budget earmarks 2.78 trillion yen in spending on public works, about 30 percent of outlays included in the full budget, to finance works carried over from fiscal 1993 and to cover the roughly estimated amount usually necessary during the first 50-day period.

An outlay of 14 percent is included as a minimum requirement for labor, operating and other administrative expenses to keep the government functioning.

Among other major expenditures, the provisional budget allocates 2.20 trillion yen in social welfare spending from 13.48 trillion yen in the full budget, and 3.65 trillion yen in tax grants to local governments from the full 12.76 trillion yen.

On the revenue side, the ministry estimates 3.83 trillion yen during the 50-day period, including 1.22 trillion yen in tax income and 2.47 trillion yen from bond issuance.

To cover the estimated revenue shortfall of 7.23 trillion yen, the ministry plans to raise funds by issuing short-term treasury bills.

The 50-day provisional period is the second longest in postwar history—matching those in fiscal 1987, 1989 and 1990 when Japan also compiled stopgap budgets.

'Rightists' Arrested After Holding Hostages*OW0104114994 Tokyo KYODO in English 1135 GMT
1 Apr 94*

[Text] Tokyo, April 1 KYODO—Police Friday [1 April] arrested two rightists and rescued two people who had been held hostage for nearly six hours inside the ASAHI SHIMBUN newspaper headquarters in Tokyo. Police identified the rightists as Kuniyasu Uchiyama, 41, and Toshikazu Furusawa, 29, both from the Taihikai right-wing group.

The two were arrested at around 7:10 P.M. Uchiyama was carrying a sword at the time of the arrest and police said they recovered four sticks of dynamite. The two men had held Kei Aragaki, 57, an executive in charge of the company's public relations department, and Miki-nori Yoshida, 51, the head of the secretarial department, in an executive reception room on the 15th floor, police said.

Before breaking into the building, the two rightists, carrying a sword, a handgun and what they said were two sticks of dynamite, threatened a security guard with the handgun, police said.

Pamphlets distributed by the two men described the mass media as a "Class A war criminal" and called on the ASAHI SHIMBUN to "amend the tone of its news coverage." The pamphlets also criticized Prime Minister Morihiro Hosokawa for his failure to retract a statement apologizing for Japan's wartime activities in Asia which he said were "a war of aggression."

Police said the rightists entered the building at about 1:30 P.M., told the security guard the gun they had was not a fake and they wanted to meet the company's president. Police said one of the men fired a shot when another security guard approached but no one was injured.

They then rode an elevator to the 15th floor where they used desks and potted plants to barricade themselves inside the executive reception room with the hostages.

Friday's hostage situation was the second violent incident in five months at the headquarters of the mass-circulation ASAHI SHIMBUN involving the Taihikai. On October 20, Shusuke Nomura, 58, the leader of the group, entered the building and committed suicide during a meeting with the company's executives in

protest over the use of a cartoon parodying his group in a weekly magazine affiliated with the company.

Police said the two men arrested Friday told the security guard they are "disciples" of Nomura. Furusawa was Nomura's secretary and chauffeur. He was present in the same room with Nomura and other ASAHI SHIMBUN executives when Nomura shot himself, police said.

On November 12, 1991, police arrested Uchiyama after he set off a fire bomb in his own car outside the Tokyo residence of former Liberal Democratic Party power broker Shin Kanemaru.

North Korea

Joint U.S.-ROK 'Air War' Exercises Denounced

Radio Reports 30 Mar Exercise

SK0104093194 *Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 31 Mar 94*

[Text] According to a military source, the U.S. imperialists and the South Korean puppets on 30 March again staged a joint air war exercise for Northward aggression.

This war exercise, which included ground force support, air strikes, long-distance airlifts, and surprise attacks was carried out in the skies above Pyongchang, Yangpyong, Oeyon islet, and Muju as the operational stage.

F-16 nuclear-loaded fighter bombers, pursuit-assault planes, electronic jamming planes, which were mobilized from overseas bases, and more than 380 various military airplanes from the U.S. Air Force in South Korea and from the puppet Air Force, were mobilized.

This war exercise, staged frantically under the support of a EA-6 electronic jamming airplane, was a dangerous playing with fire designed to promote actual combat capabilities for cooperative surprise attack [hyopdong kisuptagyok siljon nungryok] for a Northward aggression, together with airplane wings deployed in U.S. bases in Japan and the Pacific, and airplanes from the 7th U.S. Air Force based in South Korea and from the puppet Air Force.

KC-135 refueling airplanes, which flew in South Korea from overseas bases timed to coincide with this war exercise, refueled scores of airplanes that ran amok with air war exercises by making shuttle flights between Taehuksan Island and Kyongyolbi Yolto.

C-141 and C-130 transport planes airlifted large aggressor Armed Forces from U.S. bases in the Pacific to the U.S. air base in South Korea. The airlifted troops and lethal weapons were deployed in operational zones.

In the meantime, the South Korean puppets frantically ran amok with exercises of a Northward war of aggression on the ground, in the sea, and in the air, under the U.S. imperialists' instigation.

On 30 March, the South Korean puppets deployed hundreds of armed hooligans and scores of armored vehicles in the area adjacent to the Demilitarized Zone [DMZ] near Konan-ri, Piari, Yanggu county, South Korean Kangwon Province in the eastern sector of the front. In addition, they mobilized and deployed large-caliber artillery units in Hoengsan-ri, Yonchon County, Kyonggi Province in the western sector of the front.

That day, the puppet 105-mm artillery unit, occupying fire positions in Mayong-ri, Chorwon County in South Korean Kangwon Province and in Hapsu-ri, Yonchon County, Kyonggi Province, fired about 70 artillery shells at an area near the DMZ by the Military Demarcation Line. The armed hooligans of the puppet Army, occupying combat positions in Chungsa-ri, Yonchon County, indiscriminately fired some 800 bullets from large-caliber machine guns, thus displaying war hysterics.

About 10 transport planes of the puppet Army, which flew in the air above Uijongbu, Kyonggi Province that day, created a bloodthirsty war atmosphere by dropping commando troops one after another, and the wings of armored helicopters and transport helicopters, which were mobilized in the air above Paju, Pochon, and Yonchon in Kyonggi Province, ran amok with airlifting war supplies to commando operations.

Fighter-bombers, pursuit-assault planes, and observation planes of the puppet Army, which were mobilized in the air above the sea off Kunsan, also ran wild with marine attacks and landing support.

The military airplanes, which participated in various air war exercises staged in the air above South Korea against the Northern half of the republic on 30 March, alone numbered as many as some 600 planes.

The war maneuvers of the U.S. imperialists and the South Korean puppets, which are becoming more grave with each passing day, clearly demonstrate how recklessly the rascals are running amok to crush our Republic with armed forces.

KCNA Notes 1 Apr Exercise

SK0104055294 *Pyongyang KCNA in English 0536 GMT 1 Apr 94*

[Text] Pyongyang, April 1 (KCNA)—The U.S. imperialists and the South Korean puppets Wednesday staged a joint air war exercise against the North including support to the ground force, air strike, long-distance airlifting and surprise attack with hundreds of warplanes in the skies above Pyongchang, Yangpyong, Oeyon islet and Muju, South Korea, military sources said.

C-141 and C-130 transport planes airlifted that day large aggressor Armed Force from U.S. bases in the Pacific to the U.S. air base in South Korea. The airlifted troops and lethal weapons were deployed in operational zones.

In the meantime, the South Korean puppets deployed a large force of troops, scores of armored vehicles and

large-calibre artillery units in the eastern and western sectors of the front, and displayed war hysterics, firing bullets and shells in Chorwon County, South Korean Kangwon Province, and Yonchon County, Kyonggi Province.

They also staged exercises of support to "commando" operations, airlifting of war supplies, marine attack and support to landing in Uijongbu, Paju, Pochon and Yonchon and on the sea off Kunsan.

The warplanes involved in air war exercises against the North in South Korea Wednesday totalled more than 600.

CPRF Condemns U.S., ROK Military Exercises

SK0104054594 Pyongyang KCNA in English 0447 GMT 1 Apr 94

["CPRF Denounces Arms Buildup and War Exercises of U.S. Imperialists and Kim Yong-sam Puppet Clique"—KCNA headline]

[Text] Pyongyang, April 1 (KCNA)—"It is a foolish daydream if the United States and the South Korean puppets think they can threaten and bring us to our knees with sophisticated weapons of mass destruction.

"We set greatest store by peace, but, if any enemy dared provoke a war by challenging our sincerity and efforts, we would sweep away the aggressors from this land for good and demonstrate once again the mettle and honour of heroic Korea."

The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] says this in its information No. 646 published on March 31.

Noting that the United States and the South Korean authorities have staged war exercises almost every day, massively introducing various kinds of war materiel and a large number of aggressor troops, the information goes on:

"If the reckless war moves of the U.S. imperialists and their stooges are overlooked, the train of a nuclear war would inevitably be lighted, and then, the territory of our country would turn into a barren land and the whole nation suffer an irretrievable holocaust.

"The South Korean people of all walks of life should fight more daringly to check and frustrate the planned deployment of Patriot missiles and new war provocation moves of the U.S. imperialists and their stooges."

Further on Hanminjon Paper on ROK Nuclear Arms

Pyongyang Chief Hosts Conference

SK0104113994 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 31 Mar 94

[Text] The Pyongyang mission of the South Korean National Democratic Front [SKNDF] held a news conference on 31 March on the white paper published by the SKNDF Central Committee exposing the nuclear arms development maneuvers of the South Korean puppet clique.

The news conference was attended by reporters of newspapers, news agencies, and broadcasting networks in Pyongyang and foreign reporters.

Cho Il-min, chief of the mission, made remarks at the news conference.

Cho Il-min informed the reporters of the white paper published by the SKNDF Central Committee to expose the nuclear arms development maneuvers of the South Korean puppet clique and mentioned the purpose of publishing this white paper.

He pointed out that the U.S. imperialists and their stooges are waging the anti-North and antisocialist smear campaign on the pretext of the nonexistent nuclear issue of the North and are expanding it in a step-by-step manner. Thus, they are leading the situation on the Korean peninsula to a touch and go war crisis. He said that because the South Korean people cannot be the victims of such a slanderous nuclear smear campaign, the SKNDF Central Committee decided to publish a white paper to expose the truth of the situation before fair public opinion of the world.

He said that the heavy water reactor in Wolsong and the multipurpose research reactor in Taedok are used for the development of nuclear weapons on the Korean peninsula and the basis for this is that enough plutonium capable of producing 34 nuclear warheads a year is being generated from the heavy water reactor in Wolsong, and that plutonium is being generated from the multipurpose research reactor in a more rapid manner than heavy water. He also pointed out that the South Korean figures involved in the nuclear development themselves confessed that these reactors were introduced for the purpose of developing nuclear weapons, and that since nuclear materials can be extracted even during operation, supervision is difficult [kamdokto kollanhada].

Cho Il-min, chief of the mission, expressed the hope that the reporters will pay attention to nuclear weapons development maneuvers in south Korea, and will report and create public opinion in a fair and impartial manner.

He answered questions raised by reporters.

The white paper of the SKNDF Central Committee was distributed to reporters at the news conference.

ROK Nuclear Status Detailed

SK0104060194 Pyongyang KCNA in English 0512
GMT 1 Apr 94

["Hanminjon on Nuclear Arms Development of South Korean Authorities"—KCNA headline]

[Text] Pyongyang, April 1 (KCNA)—The Central Committee of the South Korean National Democratic Front [SKNDF] (Hanminjon) published a white paper on March 30 exposing the nuclear arms development of the South Korean puppet clique.

Cho Il-min, chief of the Pyongyang mission of Hanminjon, distributed the white paper at a press conference on March 31.

To justify the anti-North fuss over the nuclear issue, the white paper says, the Kim Yong-sam group has misled public opinion by misrepresenting the pilot reactor of the North as one for "the development of nuclear arms". But the atomic reactors used for the development of nuclear weapons on the Korean peninsula are the heavy water reactor in Wolsong and the multipurpose research reactor in Taedok, South Korea.

Stating that the Wolsong heavy water reactor is a reactor for nuclear arms development disguised as one for commercial use, the white paper says: It is a plutonium-producing reactor which has been introduced for the development of nuclear weapons in view of its purpose and structure.

The traitor Pak Chong-hui who had politicized nuclear arms development in the early 1970s made sure that a contract on the import of pressurized heavy water reactor was signed with Canada in December 1974 and the project was "pushed forward on a full-scale" (WOLGAN CHOSON, August 1988).

Nuclear experts involved in the nuclear arms development in those days and journalists testified: "Park Chong-hui seemed to have ordered the import of a heavy water reactor, because he was keen on developing nuclear weapons" (WOLGAN CHOSON, August 1988), "The Wolsong heavy water reactor was imported from Canada to produce nuclear arms" (WOLGAN CHOSON, October 1991) and "The heavy water reactor is entirely intended for the production of plutonium" (WOLGAN CHOSON, March 1991).

The Wolsong heavy water reactor can change spent fuel at any time without stopping operation, because it is designed for the production of plutonium. Therefore, it is almost impossible to supervise it. The Wolsong heavy water reactor discharges a large amount of spent fuel containing high-level plutonium and is used directly for the development of nuclear weapons.

Now South Korea has stockpiled spent fuel containing ten odd tons of plutonium at present and the amount is foreseen to increase to 24 tons by the year 2000. The

plutonium produced by the heavy water reactor in Wolsong till now since it started operation in 1983 is enough to make more than 370 atom bombs. When another heavy water reactor now under construction begins operation, the annual amount of plutonium output will more than double.

The white paper points out that the multipurpose research reactor constructed in the Taedok complex is a reactor exclusively for nuclear arms development under "research" veil.

It is disguised as one unrelated to the development of nuclear weapons because it uses uranium enriched to 20 percent. But it is, in fact, a reactor exclusively for the development of nuclear weapons which plays the key role in nuclear arms development in South Korea.

The Seoul regime got the "understanding" of its Washington master through several rounds of negotiations under the cloak of "research and production of isotopes". It began designing a multipurpose research reactor in 1985, started its building in 1989 and completed it in 1992 in cooperation with Canada.

The multipurpose research reactor is not a research reactor for peaceful purpose but a reactor for military use which is used as a "diazole" in the production of nuclear arms. Its designing itself has been for the manufacture of nuclear bombs and it has opened the way for legally obtaining highly-enriched uranium.

The multipurpose research reactor can be reconstructed into a plutonium-producing reactor without difficulty any time. Though it is camouflaged as a light water reactor fueling on uranium enriched to 20 percent, it, in actuality, discharges much spent fuel containing high-level plutonium in a shorter time than the heavy water reactor. And it is closely linked with reprocessing facilities.

The nuclear developing team of South Korea has built experimental irradiation facilities along with the multipurpose reactor in the atomic energy institute of the Taedok complex. Thus, a perfect plutonium extracting system has been formed, in which the spent fuel of the multipurpose research reactor is directly reprocessed by the irradiation facilities.

Demanding that the Wolsong heavy water reactor and the multipurpose research reactor of Taedok which are totally for military use be destroyed, the white paper says:

The International Atomic Energy Agency [IAEA], making a noisy fuss about the pilot reactor of North Korea, turns a blind eye to the heavy water reactor and multipurpose research reactor for military purpose in South Korea whose capacity is respectively scores of times and several times that of the North's pilot reactor. The IAEA has not disclosed as yet the results of inspection of these nuclear facilities of South Korea.

The South Korean authorities are openly claiming the "reexamination of the joint declaration on the denuclearization of the Korean peninsula," calling for "nuclear option." This suggests that the South Korean authorities scheme to unilaterally abrogate the joint declaration adopted between the North and the South.

The South Korean authorities must give up the policy of nuclear arms development and declare the removal of the heavy water reactor and the multipurpose research reactor which are used for the production of nuclear weapons.

Daily Criticizes Kim Yong-sam's Japan Trip

SK0104061594 Pyongyang KCNA in English 0542 GMT 1 Apr 94

["Disgraceful Behavior of Flunkeyist Traitor"—KCNA headline]

[Text] Pyongyang, April 1 (KCNA)—The traitor Kim Yong-sam at "talks" with Japanese Prime Minister Morihiro Hosokawa a few days ago raved that his group "has striven to find a peaceful solution through dialogue" with the DPRK, that there "is a limit to patience" and that "the young people who are not swayed by the sentiments of the past should take the lead" in "upgrading the relations" between Japan and South Korea.

MINJU CHOSON today brands this as a mean behavior of the flunkeyist traitor who tries to maintain power in league with outside forces, estranged from the nation.

The analyst says:

Still more intolerable is that the traitor Kim Yong-sam tried to completely cover up the crime-woven history of Japan, closing his eyes to it.

Last year the traitor Kim Yong-sam invited Hosokawa to Seoul and assured the latter that he would make a clean sheet of the crimes committed by the Japanese imperialists against the Korean people in the past in reward for Japan's intensified clamor over the nuclear issue and cried for the "development of new future-orientated relationship". This time, he flew to Japan and flatteringly proposed it to promote from a new angle the "development of relations", not allowing Japan's crime-woven past to "affect the future."

The humiliating act of the traitor Kim Yong-sam is an intolerable challenge to the unanimous demand of the Korean people that Japan properly liquidate its past.

Far from asking the past crimes of the Japanese imperialists, he voluntarily proposed that they should no more be brought forward. This reveals the sinister intention of the traitor, a pro-American stooge, to carry his anti-DPRK scheme into practice at any cost, with the "help" of Japan. In other words, he intends to inveigle Japan with the United States into the "international cooperation system" by all means and step up his treacherous acts with the patronage of his U.S. and Japanese masters.

History shows that those who committed treacheries, clinging to outside forces, are sure to face a stern judgement by the people. The destiny of Kim Yong-sam, a despicable flunkeyist traitor, cannot be otherwise.

ROK Defectors Report Impressions of North

SK3103215994 Pyongyang KCNA in English 1512 GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—Fellow countrymen who had defected to the northern half of Korea from South Korea gave their impressions.

Pak Hung-tal who came over to the North last year said the people in the North now enjoy a happy life as the dear leader Kim Chong-il has brought the peculiar Korean-style socialist system into bloom and shapes good politics centred on the masses.

He said:

"By availing themselves of the setback of socialism in some countries, the imperialists and the South Korean puppets are resorting to every conceivable plot against the North, crying about the 'nuclear suspicion' and 'international cooperation system' in a bid to isolate and stifle the North. This is a daydream of fools.

"No force on earth can match the invincible might of the singlehearted unity of the North which is making headway under the banner of socialism, firmly rallied behind dear General Kim Chong-il."

Noting that dear General Kim Chong-il is the destiny and future of the Korean nation, a defector So Tok-su said:

"Socialism of the North where the entire people are vigorously pushing forward the socialist construction, closely rallied behind the dear leader, is invincible, and it is exerting a great influence upon the world people.

"Our dear leader Kim Chong-il who is steadily glorifying the people-centred socialism built in the North and wisely leading the struggle for the victory of socialism worldwide, is the great of great produced by heaven."

Cho Won-taek who came over to the North with his whole family had this to say:

"The dear leader, last year, resolutely smashed challenges of the enemy with his iron will and matchless grit, saving the nation's destiny and powerfully demonstrating the might of our republic to the whole world.

"People in the South ardently long for the socialist system in the North where the nation's dignity and soul are exalted, and heartily wish to live under the system.

"National reunification must be realized according to the 10-point programme of the great unity of the whole nation at an early date so that the people in the South, too, may live in happiness under the loving care of the dear leader."

KSDP Official Urges Visit by ROK Party Leader

*SK0104110594 Pyongyang KCNA in English '030
GMT 1 Apr 94*

[Text] Pyongyang, April 1 (KCNA)—The spokesman for the Central Committee of the Korean Social Democratic Party [KSDP] in a statement Friday declared that the Pyongyang tour of Yi Ki-taek, president of the South Korean opposition Democratic Party, must be realised unconditionally and no one must block it.

"At a time when the inter-Korean relations have reached an impasse, the visit of the president of a South Korean opposition party to Pyongyang will be a particularly meaningful one," he noted, and went on:

"If the visit of Yi Ki-taek to Pyongyang is realized, it will, no doubt, be beneficial to removing the danger of a nuclear war created on the Korean peninsula and finding the way of peace and reunification of the country by joint efforts of the nation. It will not be harmful either to the North or to the South.

"Yet the traitor Kim Yong-sam is opposing and blocking his trip to the North, arguing that it 'is premature' and 'impatience is an anathema'. This is an improper act."

"Kim Yong-sam once gave vent to grievances when his visit to Pyongyang was blocked by the former military dictatorial regime, after he expressed the wish as an opposition man. But now, seated in power, he is keeping the president of an opposition party from visiting the North. It is the height of perfidy and treachery."

The spokesman stated that the Korean Social Democratic Party would make every sincere effort to realise bilateral and multilateral negotiations between politicians of the North and the South out of the desire to promote the great unity of the nation, transcending differences in ideology and idea and social system, and achieve reunification in the 90s.

Koreans in Japan Groups Condemn U.S. 'Perfidy'

*SK0104061494 Pyongyang KCNA in English 0532
GMT 1 Apr 94*

["United States' Perfidy Denounced by Chongnyon"—KCNA headline]

[Text] Tokyo, March 30 (KNS-KCNA) [dateline as received]—Local organisations of the General Association of Korean Residents in Japan (Chongnyon) in press conferences made public statements supporting the just stand of the DPRK and denouncing the perfidy of the United States.

The Fukuoka prefectural headquarters of Chongnyon in a statement March 28 sharply denounced the United States' arrogance to isolate and stifle the DPRK and the crimes of the South Korean puppet clique resorting to the division and war moves following the United States.

The Kyoto prefectural headquarters of Chongnyon in a statement called upon the Japanese people of broad segments to obtain a correct understanding of the situation and extend positive support and encouragement to the Korean people in their struggle for impartial solution of the "nuclear issue" and peaceful reunification of Korea.

The Nagano prefectural headquarters of Chongnyon in a statement laid bare the anti-DPRK campaign of the U.S., Japan and South Korea, authorities charging it is an undisguised revelation of an attempt to obstruct the independent and peaceful reunification of Korea and stifle the DPRK by force.

Radio Reports Panov Remarks on Russian Aid

*SK3103230094 Pyongyang Korean Central
Broadcasting Network in Korean 2223 GMT 31 Mar 94*

[Text] According to foreign reports, Russian Vice Foreign Minister Aleksandr Panov on 29 March says that Russia will render military assistance to the DPRK in accordance with the Friendship, Cooperation and Mutual Assistance Treaty signed in 1961 in the event it is invaded [chimnyak].

He stressed that the Russia Government will fulfill its treaty obligations and take steps coinciding with this purpose [mokchoke puhaptoenun chochi].

Spokesman Views Russian Proposal on Nuclear Issue

*SK0104051194 Pyongyang KCNA in English 0456
GMT 1 Apr 94*

["DPRK FM Spokesman on Russia's Proposal for Multilateral Negotiations"—KCNA headline]

[Text] Pyongyang, April 1 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea gave the following answer to a question put by KCNA today about the recent proposal of Russia for multilateral negotiations for a solution to the nuclear problem on the Korean peninsula:

The Russian Foreign Ministry in a recent statement proposed multilateral negotiations for dealing with the nuclear issue on the Korean peninsula.

We affirmatively estimate the efforts of Russia to find a solution through political negotiations, opposing "sanctions" and pressure. But we fear that the Russian proposal for multilateral negotiations might complicate the matter.

As for the nuclear issue on the Korean peninsula, it is a political and military problem which should be settled between the DPRK and the United States first of all in view of its cause and its nature.

The U.S. authorities themselves had already admitted this and responded to DPRK-U.S. talks. The United

States published a joint statement with the DPRK, admitted the reasonableness of the DPRK's proposal for a package deal and agreed to immediate steps of simultaneous action.

But the solution of the nuclear issue on the Korean peninsula is undergoing twists and turns, without progress yet, because the United States, after reaching an agreement at the negotiating table with the DPRK, arbitrarily reversed the agreed points, setting unreasonable preconditions outside the conference room.

It wholly depends on the attitude of the United States how the nuclear issue on the Korean peninsula would be settled in the future.

If Russia wants to contribute to the solution of the nuclear issue, it would be more suitable to the prevailing situation for it to exert its influence on the United States so that the latter may honestly implement the points of its agreement with the DPRK and observe the principle of impartiality, we think.

Cambodia's Sihanouk Plans Goodwill Visit

*SK3103061794 Pyongyang KCNA in English 0424
GMT 31 Mar 94*

[Text] Pyongyang, March 31 (KCNA)—His Majesty King Norodom Sihanouk of Cambodia will soon pay an official goodwill visit to Korea upon the invitation of President Kim Il-song of the Democratic People's Republic of Korea.

Foreign Ministry Group Leaves for Iran, Pakistan

*SK3103215294 Pyongyang KCNA in English 1520
GMT 31 Mar 94*

[Text] Pyongyang, March 31 (KCNA)—A delegation of the DPRK Foreign Ministry headed by roving Ambassador Pak Chung-kuk, deputy to the Supreme People's Assembly, left here today by train for a visit to Iran and Pakistan.

The group of Korean artists in Japan to the 12th April Spring Friendship Art Festival arrived in Wonsan by the ship Mangyongbong-92 today.

Syrian President Praises Kim Il-song

*SK3103102894 Pyongyang KCNA in English 1000
GMT 31 Mar 94*

[Text] Pyongyang, March 31 (KCNA)—Syrian President Hafiz al-Asad met on March 27 with Choe Ki-yong, chairman of the State Education Commission of Korea, on a visit to his country as a special envoy of President Kim Il-song of the Democratic People's Republic of Korea.

The special envoy conveyed a personal letter of President Kim Il-song to the Syrian president.

The Syrian president told him that his excellency President Kim Il-song is a great man enjoying respect from the world people and the most outstanding leader.

He said he knows well about the greatness of His Excellency Kim Chong-il, the dear leader of the Korean people.

Saying that Syria has taken a stand against all things obstructive to the reunification of Korea from long ago, he expressed sympathy with the view that the nuclear issue on the Korean peninsula must be solved through DPRK-USA talks.

"Syria values the friendship with Korea, and the Syrian people will remain a close friend of the Korean people," he said.

Hwang Chang-yop Meets Norwegian Party Secretary

*SK3103215194 Pyongyang KCNA in English 1519
GMT 31 Mar 94*

[Text] Pyongyang, March 31 (KCNA)—Secretary of the Central Committee of the Workers' Party of Korea [WPK] Hwang Chang-yop today met and had a friendly talk with international secretary of the Norwegian Communist Party Dag Norum.

On hand was Pak Kyong-son, vice-director of a department of the Central Committee of the WPK.

The international secretary expressed concern over the tensions prevailing in the Korean peninsula, saying that the question of the Korean peninsula must be solved by the efforts of the Korean people themselves in the spirit of national independence.

He expressed the conviction that Korea's reunification would be achieved in a peaceful way.

He expressed full support to the stand of the Workers' Party of Korea for the denuclearisation of Northeast Asia.

Party Cell Secretaries Hear Messages

Kim Ki-nam Delivers Opening Speech

*SK0104024294 Pyongyang Korean Central
Broadcasting Network in Korean 0505 GMT 31 Mar 94*

[Opening speech by Kim Ki-nam, secretary of the Central Committee of the Workers Party of Korea, at the national meeting of party cell secretaries held at the Pyongyang Gymnasium in Pyongyang on 31 March—recorded]

[Text] Comrades: Today we are holding the significant national meeting of party cell secretaries at a historic time when all the people throughout the country are vigorously accelerating the general march of socialism with the might of singlehearted unity and the revolutionary spirit of self-reliance and fortitude, upholding

the great leader Comrade Kim Il-song's New Year's address and the decision of the 21st plenary session of the sixth party Central Committee.

During the entire period from the time when it took roots in the Down-With-Imperialism Union to date, our party has been paying special attention to strengthening party cells, firmly grasping it as its consistent organizational line to strengthen infrastructural party organizations.

Our party, which has hundreds of thousands of militant party cells, which are infinitely loyal to the party and the leader [suryong], has been strengthened and developed into a veteran and tested party that has been ever-victorious in the complicated and arduous struggle for pioneering a totally new path of socialism without knowing failure and without going through twists and turns and into a mighty and revolutionary party of *chuche* that has been in solid unity with the masses while enjoying our people's absolute trust and love. [applause]

All victories and successes attained in party building and in the accomplishment of our revolutionary cause under the wise leadership of the party and the leader [suryong] are a result of the brilliant fruition of the *chuche*-oriented party building line of our party, and the devoted efforts of party cell secretaries who have made the victorious advance of the revolution and construction dwell precisely on this. [applause]

The current national meeting of party cell secretaries held under the auspices of the party Central Committee and for the first time in the history of our party, as well as the history of the international communist movement, will become an epochal occasion, which further enhances the militant function and role of party cells in strengthening the party's might in conformity with the demands of the party and the developing revolution and in vigorously accelerating the socialist cause of *chuche*. [applause]

The current meeting has been attended by party cell secretaries from the entire party and party functionaries from central and local party organization—totaling some 10,600—who have actively contributed to building our party and to developing the revolution.

The meeting will sum up the successes and experiences attained thus far in party cell work under the leadership of our party and discuss tasks and methods to build all party cells into militant organizations which are infinitely loyal to the party and the leader [suryong], resolutely safeguard and defend the socialist cause, and further add luster to it.

Firmly believing that the current meeting, held amid the great interest and expectation of all party members and the people throughout the country, will successfully carry out its work on the strength of the high political zeal and active efforts of all participants and, thus, will become a historic meeting that marks a new turn in further strengthening and developing our party and in adding

luster to the socialist cause of *chuche*, I declare the opening of the national meeting of party cell secretaries.

Kim Il-song Message Read

SK3103121494 *Pyongyang Korean Central*
Broadcasting Network in Korean 0510 GMT 31 Mar 94

["Congratulatory message" from Kim Il-song, general secretary of the Workers' Party of Korea, WPK, Central Committee and DPRK president, to delegates attending the national meeting of party cell secretaries at Pyongyang Stadium in Pyongyang on 31 March; read by Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee—recorded]

[Text] Congratulatory message to the delegates attending the national meeting of party cell secretaries:

It is very significant that the national meeting of party cell secretaries is held at a time when our party is moving to a new, higher plane under the banner of modeling the entire party on the *chuche* idea and when the entire party membership and all the people are waging a vigorous great onward march of the 1990's in wholehearted unity.

The national meeting of party cell secretaries, which is being held for the first time in our party's history, will become an important milestone to strengthen and develop our party to become an invincible party by enhancing the function and role of party cells and to further strengthen our socialist position. [applause]

I warmly congratulate the delegates to the meeting, as well as all the party cell secretaries of the entire party, who are waging a devoted struggle and are upholding our party's leadership with loyalty, for the strengthening and development of the party and for the victorious advance of the cause of socialism. [applause]

Our party is a glorious party which has been brought up with deep historical roots, and it is a *chuche* revolutionary party that struggles for the cause of independence of the popular masses with the *chuche* idea as its guiding policy.

Our party's founding and strengthening and development is unthinkable without the party cells—its basic organizations. Because the position and role of the party cells are very important in party building and activities, we have consistently given deep heed to strengthening the basic party organizations, such as the party cells, since the preparations for party founding was made.

According to the policy put forth in the historic Karun meeting in 1930, we began the party founding work by forming the basic party organizations first and then expanding and strengthening them. Since its founding, our party has expanded the party ranks with advanced elements of the working popular masses, including workers, farmers, and intellectuals; and formed party cells in all places where there were party members and the masses, such as plants, enterprises, and rural areas. At the same time, we have strengthened the party cells'

militant function in conformity with the prevailing demand at every stage of the development of the revolution.

Because the party cells were brought up strong and their function and role was enhanced, our party could realize the unity and cohesion of the party ranks based on the *chuche* idea and be strengthened and develop to be an invincible party in firm unity with the popular masses. [applause]

At a time when the historic task of realizing the modeling of the entire society on the *chuche* idea was put forth as a task of primary importance, our party made a major effort to strengthen the party cells in conformity with the new higher demand of the development of the revolution. After the national training course for party cells was held in 1991 by the initiative of the party Central Committee, a vigorous movement was conducted to create loyal party cells for the entire party membership under the slogan "Let us make all party cells into cells of loyalty," thus enhancing the party cells' militant function and role in an unprecedented manner.

Today, the party cells are excellently carrying out their noble mission and task in further strengthening our party to be the *chuche* revolutionary party and inheriting and developing the *chuche* revolutionary cause. [applause]

The party cell secretaries contributed to the shining successes of our party building and in the development of our revolution with their unheralded efforts and great achievements. The party cell secretaries have waged a devoted struggle for the sake of the party and the revolution with high pride and revolutionary self-awareness as the primary political functionaries of the glorious Workers' Party of Korea [WPK], without seeking honor or reward.

The party cell secretaries have revolutionary faith and high loyalty, uphold the party wholeheartedly, look after the political life of the party members and working people with a warm, maternal feeling, and vigorously organize and mobilize the party members and working people to creation and exploits at the head of the struggle for socialist construction. I highly appraise the party cell secretaries for their great contribution to strengthening the party and realizing the party's leadership of the revolution and construction, and give my warm gratitude to the delegates to the meeting and all the party cell secretaries. [applause]

The most important revolutionary task for our party and people today is to defend and adhere and add luster to the popular mass-centered socialism of our own style against the challenge of the imperialists and reactionaries. The socialism of our country, which is built by embodying the *chuche* idea under our party's leadership, is a genuine socialism that conforms to the popular masses' independent aspirations and demands.

Whether we can crush the enemy's maneuvers and defend and adhere to the *chuche* socialist cause and

complete this cause to the end depends on how we strengthen the party, the general staff of the revolution, and how we can enhance the party's leadership role. The party cells are the cornerstone upholding our party and a revolutionary guardpost defending our socialism.

The party cells are the base for imbuing the party members with the revolution and modeling them into the working class, a base for connecting the party members with the party Central Committee and realizing the relations of kinship between the party and the masses, and a base for organizing and mobilizing the party members and working people to the implementation of the party's line and policy.

All the party cells should be strong in order for the party to be strong and in order for the main force of our revolution to have an invincible might. All the party cells should smoothly carry out their function and role in order to give full play to the superiority and vitality of the socialism of our country. In strengthening the party cells is an important guarantee for strengthening the main force of our party and our revolution and firmly adhering and adding luster to our socialism.

Our party entrusts the party cell secretaries with the revolution's important guardpost of this magnitude. Our party's trust in and expectations of the party cell secretaries is very great, and the party cell secretaries' mission for the party and the revolution is very heavy. All the party cell secretaries should, with a high sense of responsibility and honor, make their party cells loyal cells that are boundlessly loyal to the party and militant cells that vigorously organize and mobilize the masses into the struggle to defend and adhere and add luster to the socialist cause. [applause]

The party cells should, above all, loyally uphold the unitary leadership [*yuilchok yongdo*] of the party Central Committee. [applause] Ensuring the unitary [*yuilsong*] leadership within the party is the fundamental principle of the party activity, and loyally upholding the unitary leadership of the party Central Committee is the foremost important duty of the party cells. When all the party cells become loyal cells boundlessly loyal to the leadership of the party Central Committee, they can become invincible ranks in which the entire party membership functions with one mind and will.

Today, our party's cause, the *chuche* revolutionary cause, is being brilliantly inherited and developed under the leadership of Comrade Kim Chong-il who excellently has the traits and natural disposition of a people-oriented leader. [applause] To solve the problem of inheriting our party's leadership smoothly in conformity with the demand of the revolution's development and the aspirations of the popular masses is the most proud success achieved in our party building. This firmly ensures the bright future and brilliant victory of our party and our revolution. [applause]

All party cell secretaries should continuously keep up the work of establishing the party's unitary leadership

system. Party cells should unconditionally accept and thoroughly implement the party's line, policies, decisions, and directions, and should indoctrinate leader party members and working people to be endlessly loyal to the party's leadership.

Party cells should resolutely protect and defend the party Central Committee and struggle against all phenomena that hinder the party's unitary leadership. Party cells should well organize and guide party members' party life [tang saenghwal]. [applause]

The party life is an excellent school that raises party members as revolutionaries who are loyal to the party and the revolution. It is the party cells' primary duty to correctly organize and guide the party life of party members.

Party cells should strengthen party members' organizational and ideological life to make all party members endlessly loyal to the party and the revolution and to raise them as resolute revolutionaries who can unyieldingly struggle for the victory of the socialist cause under all stormy circumstances.

Party cells should enhance party members' organizational concept [chojik kwallyom], establish a self-conscious and revolutionary trait in their party life and make all party members participate in the party life with a sincere attitude in accordance with the standard of party life.

Party cells should normally organize and carry on the organizational and ideological party life, such as summing up of the party life and party training [tang haksup], should operate party meetings in orderly fashion at a high political and ideological level, should properly give party assignments to party members, and should actively help them fulfill the assignments.

Party cells should correctly organize and guide party members' party life in close connection with the implementation of their revolutionary tasks so party members can always play a leading and exemplary role in implementing revolutionary tasks. Party cells should strengthen work with the masses and firmly unite the broad range of masses around the party. [applause]

The work with the masses is the work of remolding and inciting [paltong] people's ideology and is important work to consolidate the party's mass-oriented basis and to strengthen the main forces of the revolution.

Party cells should properly work with the masses, indoctrinate the broad range of masses in a revolutionary way, firmly unite them around the party Central Committee, and actively contribute to strengthening the single-hearted unity of the entire society.

For the work with the masses, they should give priority to work with the basic masses so they can strengthen the party's class basis and the core forces of the revolution and can make the basic masses resolutely struggle for the party and the revolution, remembering their class status.

Party cells should more actively carry out work with the masses in various classes and strata and unite more masses around the party. They should also make all people indubitably trust our party and share their destinies with the party without vacillation in any trial.

Party cells should help organizations of the working people, including ones under the League of Socialist Working Youth of Korea, and actively agitate them to vigorously carry out work with the masses in accordance with each unit's characteristic.

Party cells should vigorously carry out the three revolutions—ideological, technological, and cultural—to effect constant innovations and upsurges in socialist construction. [applause]

The loyalty of the party members and workers to the party and revolution must be demonstrated in the practical struggle for revolution and construction. Workers and farmers who make innovations in production and construction; intellectuals who make valuable contributions to socialist construction with scientific and technological knowledge; People's Army soldiers who stand guard at guardposts to defend the fatherland like fortresses by even risking their young lives: They are people loyal to the party and revolution.

Party cells must regard the ideological revolution as their first and foremost revolutionary task and intensify education in the chuche idea among the party members and workers. We must make all party members and workers cherish the chuche idea as their firm faith and think and act as demanded by the chuche idea. We must prevent any alien idea or unsound life-style [isaekchogin sasangina pulgonjonhan saenghwal pungjodo] from infiltrating into ourselves.

We must bring all party members and workers to cherish an unfailing loyalty to the party, a staunch revolutionary spirit, an unshakable faith in socialism, ardent patriotism, and noble moral traits. We must also bring into fuller bloom in our society the beautiful communist morality of helping and leading each other forward and sharing weal and woe based on the principle of one for all and all for one. [applause]

Party cells must make a great effort to carry out the cultural revolution so that all party members and workers learn hard and strive to steadily improve their cultural and technical standards and enjoy to their hearts' content the socialist cultural life with rich emotional feelings and a high cultural attainment.

Party cells must strengthen organizational and political work to ensure that party members and workers accelerate the technical revolution and make innovations in building the socialist economy.

Party cells in the industrial sector must positively help our working class, which is in charge of the major sector of the people's economy, fulfill the people's economic plan by the day, by the month, and by the quarter and

strengthen the might of the chuche-oriented economy without fail by highly displaying the revolutionary spirit of self-reliance and arduous struggle.

Party cells in agriculture must lead our farmers to do farming in a scientific and technological manner as demanded by the chuche-oriented farming method with an attitude befitting masters who are responsible for the nation's granaries and, thus, fulfill the high goal of agricultural production set by the party without fail.

For the present the party cells in all sectors of the people's economy must effect a fresh, revolutionary advance in building the socialist economy by effectively organizing the party members and workers for the implementation of the party's revolutionary economic strategy. [applause]

Party cells in the fields of science, education, literature, arts, public health, publications, and the press must well carry out work with intellectuals to ensure that they, with the honor of and pride in being intellectuals of a chuche Korea, positively contribute to building socialist culture with all of their creative wisdom and talent.

Party cells must always pay deep attention to defending the fatherland.

Our struggle for socialist construction is waged in the acute confrontation with the enemies. Today, the imperialists and their stooges are intensifying the military threat and provocation maneuvers against our Republic, the fortress of socialism, with each passing day. The party cells should see to it that the party members and working people heighten their revolutionary vigilance to cope with the enemy's aggressive provocation maneuvers, earnestly learn military affairs, and prepare themselves thoroughly in order to firmly defend the country's security and the gains of socialism.

The party cells should ensure that the party members and working people give full play to the traditional virtues of Army-people harmony and that the Army and the people are firmly united to firmly defend the socialist fatherland. [applause]

First, the party cells should loyally uphold the party Central Committee's unitary leadership. Second, they should bring up all party members to be chuche-type revolutionaries by effective party life organization and guidance. Third, they should carry out the work with the masses well in order to strengthen the relations of kinship between the party and the masses. Fourth, they should vigorously carry out the three revolutions—ideological, technological, and cultural—in order to accelerate socialist construction. Fifth, they should firmly defend the security of the country and the gains of socialism. These are the five-point tasks the party cells should carry out at present. [applause]

All the party cell secretaries should firmly keep up the party cells five-point tasks and implement them thoroughly. Whether the party cells can carry out their

function and role satisfactorily or not depends on the degree of preparedness and role of the cell secretaries. The party cell secretaries should be boundlessly loyal to the party so that the party cells may become the cells of loyalty. The party cell secretaries should skillfully organize work and push it ahead energetically so that the party cells may become cells with militant strength.

The party cell secretaries should become true loyalists boundlessly loyal to the party. [applause] The party cell secretaries should make their loyalty to the party their faith and part of their constitution.

The party cell secretaries should bear deep in their hearts the greatness of our party and the justness of the party's cause. They should have firm resolve to share their destiny with the party forever. They should wage an invariable devoted struggle throughout their life, unshaken in the face of any wind, for the sake of the party and for the victory of the party's cause.

The party cell secretaries should protect and defend the party politically, ideologically, and with their life with a firm faith that they are happy living or dead as long as they are loyal to our party.

Party cell secretaries must become the flag bearers in the revolution and struggle who resolutely defend the party's lines and policies and mobilize the popular masses into implementing these lines and policies.

Party cell secretaries must possess high revolutionary spirits and unwavering fidelity to the party's principles and class-oriented principles, carry out all work in ways beneficial to the party and revolution, and vigorously mobilize the popular masses into the struggle to implement the party's policies.

Party cell secretaries must take the lead in waging the struggle, overcome difficulties and achieve breakthroughs, and exert influence on popular masses and lead them by exhibiting a good personal example. Party cell secretaries must never compromise with [tahyop] phenomena that are at variance with the party's lines and policies and harm the interests of the party and revolution, but wage a resolute struggle against them.

Party cell secretaries must become the people's genuine servants who sincerely serve the people. [applause] Party cell secretaries must become the people's genuine servants who sincerely serve the people. [speaker repeats]

Party cell secretaries must have the correct view of the masses that the masters of our country and the masters of revolution and construction are the popular masses, boundlessly love and respect the people, and devotedly wage struggles for the people's benefits and happiness.

Party cell secretaries must always listen to the opinions of the people, share joy and sorrow with them, and resolve their difficulties and requests in a timely manner.

Party cell secretaries must not misuse their authority, hope for privileges, and entertain worldly desires.

Rather, they must always lead frugal and sound lives and be cleanhanded [chongnyom kyonlbaek].

Party cell secretaries must persistently make efforts to improve their political-administrative qualifications.

Without endlessly improving their qualifications to comply with the demand of the developing era, party cell secretaries cannot correctly organize and give guidance to the party members' party activities and efficiently organize and mobilize the party members and masses for implementing the party's policies.

Party cell secretaries must strongly arm themselves with our party's revolutionary idea, the *chuche* idea, entirely acquaint themselves with the party's lines and policies and plans, and have a full understanding of the party's work methods.

Party cell secretaries must study hard and make persistent efforts to strongly prepare themselves as proficient officials who have high political and theoretical qualifications and administrative experiences.

Party organizations of all levels must strongly build the ranks of party cell secretaries and positively help and lead them to ensure that they play their roles satisfactorily.

I firmly believe the delegates to the national meeting of party cell secretaries and all the other party cell secretaries of the entire party will uphold the party's leadership, excellently fulfill their duties, and, thus, repay the party's great trust and expectations without fail. [applause]

Kim Il-song [long applause]

31 March 1994 [applause]

Cell Secretaries Speak

SK0104105194 Pyongyang KCNA in English 1025
GMT 1 Apr 94

[Text] Pyongyang, April 1 (KCNA)—The national conference of party cell secretaries which opened here Thursday [31 March] is going on.

Many delegates took the floor Thursday and this morning. They included Kim Yon-il, a party cell secretary of the Komdok General Mining Enterprise; Yi Kang-ha, a party cell secretary of the Kosong Fisheries Station; Yu Pong-kyu, a party cell secretary of the Wonsa Cooperative Farm in Ongjin County, South Hwanghae Province; Yi Kwi-sok, a party cell secretary of the Chollima Steel Complex; and Yi Kon-ku, a department party secretary of the Pyongyang Writing House.

The speakers said the great leader Comrade Kim Il-song sent a letter of congratulations to the conference so that it may be recorded as a historic meeting in the history of the Workers' Party of Korea [WPK]. It is the highest

honor and great encouragement to all the cell secretaries of the whole party that he sent the letter of congratulations, they noted.

They recalled that the great leader had given wise guidance in strengthening the work of party cells, the basic organisations of the party, in each period and each stage of the revolution and construction.

They said the dear leader Comrade Kim Chong-il published the historic letter "Let Us Strengthen the Party Cells" and other works and thus enhanced the militant function and role of party cells and trained all party members to be true fighters firmly equipped with the *chuche* idea, the revolutionary idea of the WPK.

They described the course covered by the party members under his energetic guidance as a glorious course filled with his deep trust and loving care.

They declared that although the imperialists and reactionaries are trying more desperately than ever before to destroy Korean-style socialism, no force on earth can block the march of the Korean people who are staunchly fighting, rallied closely behind the dear leader in one idea and one faith.

They expressed their resolve to thoroughly fulfil the tasks set out in the great leader's letter of congratulations to the delegates to the current conference and the dear leader's works including his letter to the participants in the national short course for party cell secretaries so as to consolidate all the cells to be more viable and militant organisations.

They stressed that they would stimulate the revolutionary zeal of the party members and other working people to effect great innovations in production and construction and exalt Korean-style socialism.

Kim Chong-il Sends Birthday Table to Announcer

SK3103103894 Pyongyang KCNA in English 1019
GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—The dear leader Comrade Kim Chong-il sent a 70th birthday table to "Kim Il-song Prize" winner and labour hero Yi Sang-pyok, people's announcer of the Radio and TV Broadcasting Committee of the Democratic People's Republic of Korea.

Yi Sang-pyok, who was born as a son of a mountain-side tiller before the liberation of the country, tasted a true life for the first time in the liberated country and could be an announcer as he wanted.

He has performed his duty as announcer from 1947.

He has written "Theory on Art of Radio Conversation", "Art of Announcer Conversation", "Art of Korean Conversation" and other theses and 120 radio dramas, one or two acts plays, poems and articles, contributing to the work of radio and the education of the rising generation.

He has trained hundreds of announcers including people's and merited announcers by taking an active part in the work of training reserves.

Kim Chong-il Thanks County Officials, Workers

*SK0104052494 Pyongyang KCNA in English 0438
GMT 1 Apr 94*

[Text] Pyongyang, April 1 (KCNA)—Comrade Kim Chong-il, supreme commander of the Korean People's Army, extended thanks to the officials and working people in Yongyon County, South Hwanghae Province, who had distinguished themselves in aiding the People's Army.

Last year, twenty officials and working people in the county visited People's Army units on several occasions to elevate the militancy and morale of soldiers and consolidate Army-civilian bonds of kinship. Among them were Chi Chang-nam, chief secretary of the Yongyon County Party Committee and concurrently chairman of the Yongyon County People's Committee, Kim Sung-chon, chairman of the Management Committee of the County Integrated Farm, Kim Myong-son, a worker of the Kokjong branch, An Myong-kil, a worker of the Namchang branch, and Kong Yong-chun, a worker of the sawon branch of the same farm.

Comrade Kim Chong-il also sent thanks to Yi Yong-tok, a political worker of the Choe Tae-yong unit of the Korean People's Army, and Pak Yong-hui, his wife, who had displayed beautiful communist traits by taking care of a disabled soldier like their own flesh and blood.

Kim Il-song Visits, Advises Cooperative Farms

*SK3103103694 Pyongyang KCNA in English 1011
GMT 31 Mar 94*

[Text] Pyongyang, March 31 (KCNA)—Cooperative fields of Korea are animated with spring farming.

The agricultural working people of South Hwanghae Province, a bread basket of the west coast, are pulling their full weight on sowing of seed rice on cold-beds and ploughing of paddy and non-paddy fields, true to the highly important teachings given by the great leader President Kim Il-song when he met agricultural officials of the province in March last year.

The great leader visited co-op farms in Yonan, Paechon and Chongdan Counties of the province in August that year, went out to fields and indicated ways of more successful farming, acquainting himself with the number of ears per pyong [one pyong is six feet square] and the number of grains per ear.

Always concerned for the development of agriculture of the country and the happiness of the people, he has made tireless trips of on-the-spot guidance to rural communities since the liberation of the country. He conversed with farmers and discussed farming with them at the edge of a field in a valley in a chilly breeze of early spring,

at a patch of a paddy field under a scorching sun in summer and at a humble farmhouse till late at night in winter.

In Korea the chuche method of farming was created, a new agricultural guidance system was established and theses on the socialist rural question was published. The great leader put them forward by consummating the will of the peasants while giving on-the-spot guidance to rural villages. He published theses on the socialist rural question in February 1964 and has made uninterrupted trips of on-the-spot guidance for its realization. Not minding a muddy road of the countryside on a rainy day, a road through the marsh of the tideland and a steep mountain, he called on agricultural working people and converted all the land of the country including the Kindung plain of Hwangju, Singyemiudung and the Paekmu plateau which had been forsaken as a barren land and tideland-turned fields on the west coast into fertile soil.

He unfolded a bright prospect of rural construction at a cooperative farm on the west coast, drawing a map of the village. At a workteam of a farm at the foot of Mt. Kuwol he indicated ways for the comprehensive mechanization of agriculture.

Last year, he guided the work of the countryside, traveling hundreds of kilometres to northernmost Yonsa County, North Hamgyong Province, and Paekmu plateau in Yanggang Province, tideland-turned fields and Kwail (fruit) County on the west coast and the Yonbaek plain adjacent to the Military Demarcation Line.

Indeed, our countryside which was a pronoun of backwardness and poverty in the past has been turned into a modern socialist countryside good to work and live in under the wise guidance of the great leader President Kim Il-song.

Kim Il-song, Kim Chong-il Send Machinery to Farm

*SK3103061494 Pyongyang KCNA in English 0536
GMT 31 Mar 94*

[Text] Pyongyang, March 31 (KCNA)—The great leader President Kim Il-song and the dear leader Comrade Kim Chong-il sent many tractors, trucks and trailing farm machines to the Wonhwa cooperative farm, Pyongwon County, South Pyongan Province.

A meeting took place on the farm on March 29 to convey them.

The speakers at the meeting noted that the care shown by President Kim Il-song and Comrade Kim Chong-il this time carried their great hope for bigger achievements in the efforts for the industrialization and modernization of agriculture.

They vowed to produce more than 10 tons of rice and over 12 tons of maize from each hectare by doing successful farming as required by the chuche farming

method this year in order to make a positive contribution to the full display of the advantages of the system of Korean style socialism centering on the masses.

A letter of pledge to President Kim Il-song and Comrade Kim Chong-il was adopted at the meeting.

Kim Ki-nam Speaks at Press, Publication Meeting
*SK3103064194 Pyongyang KCNA in English 0543
GMT 31 Mar 94*

[Text] Pyongyang, March 31 (KCNA)—A meeting was held here on March 30 on the lapse of ten years since the dear leader Comrade Kim Chong-il called for a new revolutionary turn in publishing and printing.

Kim Ki-nam, secretary of the Central Committee of the Workers' Party of Korea, in his report said the dear leader Comrade Kim Chong-il on March 31, 1984, that is, ten years ago, elaborated on the need to effect a new revolutionary turn in publishing and printing to meet the requirement of the developing revolution in which the whole of society was being modeled on the *chuche* idea.

"Receiving the highly important words of the dear leader, the Workers' Party and people of Korea became able to accelerate the revolutionary cause with redoubled vigor by enhancing the militant function and role of the press with a mighty ideological and theoretical weapon for developing the revolutionary press suited to the nature of the socialist society," the reporter noted.

He said the dear leader has directed primary efforts to the strengthening of the leadership of the party over publishing and printing, which is vital to the development of the press and success of publishing activities. "As a result, our press has been able to invariably maintain its revolutionary character and successfully fulfil its mission and duty as a mighty ideological weapon powerfully arousing all the party members and working people in the accomplishment of the socialist cause, the cause of the party," he stressed.

Referring to the fundamental improvement of publishing and printing over the past ten years under the wise guidance of the dear leader, he stressed: "All these achievements clearly prove the validity and vitality of the words of the dear leader Comrade Kim Chong-il on effecting a new revolutionary turn in publishing and printing."

Outlining the tasks arising in publishing and printing, the reporter said the officials and working people engaged in publishing and printing must imbue the composition and contents of the publications with the *chuche* idea and issue more publications conducive to an active ideological education for bringing the greatness of the party home to the party members and the working people and further strengthening the singlehearted unity of the leader, the party and the masses.

South Korea

Reaction to UNSC Statement on DPRK Reported

Government: Statement 'Appropriate'

*SK0104022394 Seoul KBS-1 Radio Network in Korean
0130 GMT 1 Apr 94*

[Text] In a statement issued by Foreign Ministry Spokesman Chang Ki-ho on 1 April, the government appraised it was an appropriate measure that the UN Security Council [UNSC] urged North Korea to accept additional inspections and requested the Secretary General of the International Atomic Energy Agency report the result of the negotiation.

The government said the UNSC presidential statement reflects the international community's deep concern over the seriousness of the North Korean nuclear issue and the resolute will to resolve the issue. He urged North Korea to immediately respond to the presidential statement.

'Indirect' Rather Than 'Precise'

*SK0104020794 Seoul KBS-1 Radio Network in Korean
0100 GMT 1 Apr 94*

[Text] After four rounds of official and unofficial discussions, the UN Security Council [UNSC] adopted and announced today a presidential statement urging North Korea to comply with the obligations of the nuclear safeguard accord. The following is a report by correspondent Nam Son-hyon from UN headquarters.

[Begin Nam recording] The UNSC held a plenary meeting on the morning of 1 April Korean time and unanimously adopted a presidential statement urging North Korea to accept nuclear inspections. Saying that the statement was adopted upon agreement of all the UNSC member states, Jean-Bernard Merimee, president of the UNSC, read the statement in which indirect expressions replaced precise wordings of additional measures on North Korea and a negotiation deadline.

In the presidential statement adopted today, the clause regarding additional measures on North Korea was mildly expressed by stating that additional evaluation will be made on the compliance of the agreement with the International Atomic Energy Agency [IAEA] if North Korea refuses nuclear inspections.

As to the negotiation deadline, which was one month, no specific date was fixed, but the IAEA secretary-general is to report the result of negotiations with North Korea to the UNSC at the next inspection. The presidential statement comprises five articles including that the UNSC will continue to deal with the North Korean nuclear issue and urge North-South dialogue.

Today's statement was a presidential statement, which is milder than a binding resolution, without any strong expression including sanctions or measures on North

Korea. It is analyzed that China had strong influence on the statement and the United States, United Kingdom, and France made considerable concessions.

However, a high-ranking official of the ROK mission to the United Nations, said that the United States explained the draft statement to the ROK in advance and evaluated that it is more meaningful to adopt a presidential statement with the participation of China and have China actively involved in the North Korean nuclear issue in the future than to adopt a resolution and exclude a few countries from measures on North Korea. [end recording]

Foreign Minister: Strong Message

SK0104110894 Seoul YONHAP in English 1101 GMT 1 Apr 94

[Text] Washington, April 1 (YONHAP)—South Korean Foreign Minister Han Sung-chu said here on Friday that the just-adopted statement of the U.N. Security Council president constitutes a strong message to North Korea over the nuclear question.

In a press conference at the Watergate Hotel where he was staying, Han said the statement would be a "tremendous pressure" on North Korea especially because China is supposed to take part in next-phase steps set to be taken if North Korea does not heed the message.

"The statement is highly significant in that it was unanimously approved by the whole 15 member nations of the Security Council," Han said. He was on a visit here to discuss nuclear-related follow-up steps with Washington officials.

On the deadline for North Korea's acceptance of additional inspections, Han said the statement did not give it but Hans Blix, director general of the International Atomic Energy Agency (IAEA), reported that there should be additional IAEA inspections within six months.

Discussing the background that led China to change its initial stand and agree to include a clause on additional steps in the statement, Han said President Kim Yong-sam's talks with the Chinese leadership during his recent visit to Beijing, had paid off.

"There were communications between South Korea and China during the Security Council meeting, too," Minister Han said.

China, Han said, gave word that it would play a role in support of Korean peninsula's denuclearization and peace and stability on the peninsula.

"China expressly showed it (through deeds) by supporting the statement," Minister Han said.

DPRK Envoy: IAEA Inspection Not Allowed

SK0104104294 Seoul KBS-1 Radio Network in Korean 1010 GMT 1 Apr 94

[Text] Pak Kil-yon, North Korean ambassador to the United Nations, told reporters after the UN Security Council adopted the president's statement on North Korea that, since North Korea has fulfilled its duties under agreements with the International Atomic Energy Agency (IAEA), it will not allow any kind of inspection by the IAEA from this point of time [hyon sijomeso oddon hyongtaeui IAEA sachalto hoyonghaji anul pangchimirago].

Ambassador Pak Kil-yon insisted that the adoption of the UN Security Council president's statement will not help to resolve the nuclear issue and he stressed the need to resume high-level talks between North Korea and the United States, saying that only North Korean-U.S. negotiations will help in resolving the nuclear issue.

Meanwhile, a spokesman for the North Korean Ministry of Foreign Affairs reacted negatively [pujongjogin panung] to the Russian proposal for holding eight-party talks on the North Korean nuclear issue, expressing concerns about the possibility that it will complicate the issue.

Russia's Panov: DPRK Must Fulfill Obligation

SK0104085794 Seoul YONHAP in English 0839 GMT 1 Apr 94

[Text] Moscow, April 1 (YONHAP)—Vice Foreign Minister Aleksandr Panov, declaring that Russia's position on the North Korean nuclear dispute remains unchanged, has said that North Korea must fulfill its obligations as a member of the Nuclear Non-Proliferation Treaty.

In an interview published in the daily IZVESTIYA Friday, Panov said Moscow would support the U.N. Security Council in adopting a resolution demanding outside inspection of North Korea's nuclear facilities.

Commenting on his earlier statement that Russia would have to intervene automatically to militarily assist North Korea under a bilateral treaty if North Korea was attacked, Panov said his remark had been distorted by the press.

The Russian position on the military assistance treaty between the former Soviet Union and North Korea has not changed from what it was a year ago, he said.

Panov said Russia would decide whether to fulfill its obligations under the 1961 treaty with North Korea after considering the differences between then and now and analyzing the situation on the basis of Russia's national interest, while bearing in mind its international obligations including the non-proliferation treaty.

Panov stressed there is no threat of any unprovoked attack on North Korea at present, thus hinting that

Moscow has no ground for providing military support to Pyongyang, the newspaper said.

Russia tries to make use of the Korean situation to strengthen its position in Asia, the paper said. But Russia does not want a conflict with Seoul and Washington over this issue, it said, noting that Russia, unlike China, is ready to support a U.N. Security Council resolution on North Korea.

DPRK Loggers Said Working in Russian Fields

SK0104121994 Seoul YONHAP in English 1144 GMT 1 Apr 94

[Text] Seoul, April 1 (YONHAP)—Thousands of North Korean loggers in the far eastern area of Russia have been working at nearby vegetable fields lately, Radio Moscow reported on Thursday.

According to the NAEWOE PRESS here, the radio said about 7,000 North Korean loggers were working at vegetable fields in the Khabarovsk Province after Russia and North Korea failed to resolve the issue of renewing their logging agreement that expired at the end of last year.

It went on to say that the internal affairs authorities of Khabarovsk urged the North Korean consulate general in the area to strictly abide by rules on foreigners employment while a large fine was imposed on a Russian industry for employing the North Korean loggers without a proper permit.

The Khabarovsk authorities fear that the North Korean loggers may become "second Vietnamese," said the radio, reminding that tens of thousands of Vietnamese people who worked in Russia in the past scattered all across Russia as illegal traffickers.

Opposition Leader on Secretary Perry's Remarks

SK0104033694 Seoul KBS-1 Radio Network in Korean 0100 GMT 1 Apr 94

[Text] Democratic Party Chairman Yi Ki-taek strongly denounced on April 1 U.S. Defense Secretary Perry's remark that the United States is prepared to stop North Korea from developing nuclear weapons even at the risk of war. He said such remarks are aggravating the risk of war on the Korean peninsula just as much as North Korea's mentioning Seoul as a sea of fire.

Chairman Yi Ki-taek met with journalists this morning and said that Defense Secretary Perry's remarks may be one of the double-faced, hard and moderate tactics of the United States but are intimidating the people of the ROK.

Chairman Yi Ki-taek also said that diplomatic and security policy regarding sanctions on North Korea should not cause confusion and that the president should have a clear picture of the situation and replace inharmonious diplomatic and security policymakers.

Kim Talks With Japan's Hosokawa by Telephone

SK0104101994 Seoul YONHAP in English 1012 GMT 1 Apr 94

[Text] Seoul, April 1 (YONHAP)—President Kim Yong-sam made a telephone call to Japanese Prime Minister Morihiro Hosokawa Friday afternoon to exchange opinions on recent developments of common interest.

In the telephone conversation that lasted 14 minutes beginning 4:30 P.M., President Kim explained about his recent visit to China and exchanged views on the U.N. Security Council president's statement adopted earlier in the day on the North Korean nuclear issue.

Chongwadae [presidential office] spokesman Chu Ton-sik said the president stressed during the call that there is no change in his conviction that there absolutely needs joint efforts among South Korea, United States and Japan to resolve the nuclear issue.

Kim expressed satisfaction at the U.N. Security Council president's statement, saying that since the statement reflected opinions of China, China is expected to make closer cooperation in getting the nuclear issue settled.

The president also said that during his recent visit to China, he made it clear that South Korea does not want to see North Korea isolated from the rest of the world nor is Seoul interested in achieving unification by absorbing North Korea.

Hosokawa said in the telephone talks that Japan, too, supports the U.N. Security Council president's statement because he said it calls for what North Korea ought to do.

The Japanese premier said he expects there will be full exchange of opinions when South Korean Foreign Minister Han Sung-chu visits Japan on April 3, the Chongwadae spokesman said.

Japan Reportedly Detects No DPRK War 'Signs'

SK0104041294 Seoul YONHAP in English 0253 GMT 1 Apr 94

[Text] Tokyo, April 1 (YONHAP)—Japan has not detected any signs that North Korea is about to provoke a war against the South, despite rumors of a crisis on the peninsula caused by Pyongyang's suspected nuclear arms program, a Japanese newspaper quoted a Defense Ministry source as saying Friday.

The source, who has collected and analyzed various data on North Korean military moves, said the communist state is not in a state of extreme tension nor is it taking any preparatory action for war, the MAINICHI SHIMBUN reported.

"There is no strange sign in North Korea. We cannot catch any change in communications or frequency in

North Korean military bases. They did not stop periodical reconnaissance flights either," the source was quoted as saying.

Defense Ministry staff do not think an emergency will arise at this stage, he said.

Editorial Criticizes 'Shaking' Policy on DPRK

SK3103021594 Seoul CHUNGANG ILBO in Korean 30 Mar 94 p 3

[Editorial: "Why Does the Government Change Its North Korean Nuclear Policy again?"]

[Text] The government's North Korean nuclear policy is shaking once again. After meeting with the Chinese leaders, President Kim Yong-sam—who promised in a meeting with Japanese Prime Minister Hosokawa to "closely cooperate with Japan" to resolve the North Korean nuclear issue—is moving in the direction of "resolving the nuclear issue through dialogue." This happened only five days after he visited China.

When President Kim Yong-sam left Seoul for China, it was the government's position that it would persuade China to stand with the other permanent member states of the UN Security Council to discuss sanctions against North Korea. According to the outcome of the ROK-PRC talks, however, President Kim was likely to be persuaded by President Jiang Zemin with China's logic that North Korea must not be aggravated.

Regarding the government's policy change, the government said that it would expect China—as the only state that can persuade North Korea to accept the nuclear inspections—to be a mediator in resolving the North Korean nuclear issue.

There may be some reasons for the government's change of policy, but what makes the people at home and abroad feel embarrassment regarding the issue is that its uncertain policy can cause harm to the country's reputation, as well as badly affecting its security system. This is why we worry over the government's uncertain policy.

We must, first, consider relations with the United States, as well as Japan with which we have cooperated in strengthening the joint effort to resolve the North Korean nuclear issue. Now, the government may lose its credit in diplomatic circles because it has decided to delay all ongoing meetings regarding the UN Security Council's sanctions against North Korea. Even the United States has denounced the government's unfixed nuclear policy toward North Korea.

In addition to this, Hwang Pyong-tae, ROK ambassador to China, said that "we would discuss the issue with the United States, as well as with China," and that "we would even work together with China to resolve it." We cannot but be stunned by his remarks. These remarks indicate that the government will introduce China's active participation in the settlement of the North

Korean nuclear issue. Up to now, the United States, South Korea, and North Korea have mainly made efforts to resolve the issue. Also, this can cause confusion in our country's security system, as well as in the basic direction of our diplomacy, which we have so far carried out centering on the United States and Japan.

We wonder how the ambassador—even though he is neither the relevant official in charge of policy affairs nor the responsible official in charge of diplomatic affairs—could make such remarks at an ambassador-level position. This indicates that there are some problems in the diplomatic organization.

The present international trends around the Korean peninsula regarding the North Korean nuclear issue look like the ones in which the great powers struggled against each other in the late period of the Yi Dynasty. There are even signs regarding these trends. China has already pressured the ROK Government regarding ROK policy under the pretext of its influence over North Korea. Recently, Russia, which had so far remained silent regarding the North Korean nuclear issue, proposed to hold an eight-party international conference. Even an organ published by the National Defense Ministry reported that Russia should take the lead in resolving the North Korean nuclear issue. On the other hand, the Russian deputy foreign minister suddenly said that the treaty on friendship and cooperation between Russia and North Korea, a military treaty, can be initiated [paltong] when North Korea is invaded.

This means that all great powers concerned with Korea will competitively participate in the Korean peninsula issue. A century ago, we already had a bitter experience with these kinds of struggles conducted by the great powers regarding the Korean peninsula. The country's main pillar must not be shaken because of a diplomatic issue such as the North Korean nuclear issue.

Russian Envoy Questions Value of Team Spirit

SK0104013594 Seoul THE KOREA HERALD in English 1 Apr 94 p 2

[Text] Russian Ambassador to Seoul Georgiy F. Kunadze has warned that the South Korean decision to resume its joint military exercise with the United States, Team Spirit, and to deploy the Patriot antimissile system might be taken by North Korea as "provocative" and therefore, lead it to misjudge the South's real intentions.

"If they do see these steps as provocative, won't they make some final conclusions on the basis of that kind of opinion?" he said in an interview with THE KOREA HERALD.

The envoy also doubted whether the decision to take the steps would be effective in ensuring North Korea's full acceptance of international nuclear inspections.

"From the viewpoint of a citizen of a third country, I would say that I wonder about the strategic value and

military importance of these exercises and these missiles to be introduced into South Korea," he said.

Kunadze called for more efforts toward a peaceful solution of the problem, saying that related countries still have time to explore additional possibilities to persuade North Korea to be "reasonable."

He said efforts not to further isolate North Korea are as important as strong and decisive actions against it.

But he does not agree with the so-called package deal between North Korea and the United States, which implies a linkage in negotiations.

"Out of my personal conviction as a diplomat and also a student of international relations, I'm not in favor of package deals. I'm not in favor of a linkage as a tool of diplomacy."

Russia, however, would not oppose a U.N. Security Council decision to impose punitive actions against North Korea, he said.

He said the council needs a consensus among members in order to decide any measures concerning Pyongyang's nuclear program.

The Russian government is not going to stand in the way of consensus at the council, "whatever this consensus is," the ambassador noted.

Kunadze came here in January but had been well-known in Korea before then. He had visited here six times as a senior researcher of the Institute of World Economy and International Relations (IMEMO) and as a vice foreign minister later.

He was one of the Russians who arranged Moscow visits in 1989 and 1990 by President Kim Yong-sam, who was then a political leader.

"My modest part can be described as facilitating the meetings between Mr. Kim Yong-sam and Soviet leaders," he said about his role.

Kunadze said the President said he would like to visit Moscow this year when he met him at Chongwadae in February to present his credentials. But he did not reveal when Kim plans to go to Moscow. Earlier reports said the visit will occur sometime in June.

The ambassador hoped that Seoul and Moscow conclude negotiations on financial compensation for the land that was owned by the Russian Legation from the end of the 19th century but now belongs to the Korean government or individuals before the President visits Russia.

Kunadze reaffirmed that Russia, despite its friendship and mutual assistance treaty with North Korea, would not help it if the Communist country attempted some kind of attack on another nation.

But he made it clear that Moscow would not discard the treaty, saying, "Russia, being a successor state to the

former Soviet Union, is not in the position to abrogate any kind of international agreements" that it had concluded with others.

The treaty signed between the former Soviet Union and North Korea in the 1960s provides a security guarantee for North Korea in case of unprovoked attacks from the outside.

Kunadze claimed that this pact would not encourage North Korea to commit itself to any irresponsible behavior.

Concerning the issue of North Korean refugees who fled from logging camps in Siberia, the ambassador said Moscow has never been formally consulted by Seoul on that matter.

He said Russia would not object if South Korea decides to accept the refugees.

He said Moscow does not consider this issue in a political context but sees it as a matter related to human rights. He said Russian laws do not restrict travel by foreigners with valid passports, and therefore the Seoul government is the one which should make a decision.

The envoy called on South Koreans to study the Russian offers to repay Seoul's \$1.47 billion loans on a purely commercial basis.

He said in any commercial deal, what counts most are quality and price. That apparently includes deals in Russian weaponry provided it is competitive in price and good in quality.

"I do not think any political strings should be attached to the forthcoming deals either on the side of the Russian government or on the side of Koreans," he said.

He does not see any political obstacles to developing relations with Korea in any fields including military technology transfer, the envoy added.

U.S. Trade Pressure Focuses on Car Market

SK0104083994 Seoul YONHAP in English 0457 GMT 1 Apr 94

[Text] Seoul, April 1 (YONHAP)—U.S. trade pressure on South Korea this year will focus on the country's annual 1.1 million-car market, Trade, Industry and Energy Ministry officials said Friday.

In a comprehensive survey of the practices of its trading partners called the National Trade Estimate (NTE) released recently, the U.S. Government designated South Korea as a country erecting unfair barriers in the automobile sector—a target of investigation by the U.S. Trade Representative under the revised Super 301 Trade Provision—the officials said after analyzing the NTE report.

Less pressure is expected on the country's services and intellectual property markets.

Washington demanded that Seoul remove or lower such trade walls as auto import duties, car taxes and national campaigns against luxury imports that limited automobile imports to 1,463, or 0.2 percent, of the 1.1 million-unit market last year.

Early this year, the government lowered car import duties to the European union level of 10 percent, yielding to U.S. pressure, but Washington continues pressing for a further cut to 2.5 percent, the same as the American rate. It also demands removal of restrictions on foreign car advertising and dealers.

The officials said the U.S. call for a further cut in car import duties is unacceptable because Washington "is putting this demand to Korea only, putting aside many advanced countries."

They admitted, however, that the 15-percent acquisition tax on cars priced 70 million won or more is too high compared with the 2-percent tax on autos worth less than 70 million won, suggesting that the tax on luxury cars will be lowered.

Trade, Industry and Energy Minister Kim Chol-su will meet U.S. Trade Representative Mickey Kantor during talks on economic cooperation slated for April 4-5 and again during the GATT (General Agreement on Tariffs and Trade) ministerial meeting opening in Morocco on April 12. He will also visit Washington in May in a bid to ease trade friction over automobiles.

Meanwhile, trade circles expect American pressure for a broader opening of the services market, intensified protection of intellectual property rights and a further reduction in export subsidies to ease somewhat, as many of the U.S. demands related to these issues were met during the Uruguay Round of multilateral trade negotiations last year.

But Washington will include South Korea in the priority watch list being announced at the end of April to push for a wider Korean market opening.

Seoul Welcomes Japan's Market-Opening Package

SK3003085594 Seoul YONHAP in English 0605 GMT 30 Mar 94

[Text] Seoul, March 30 (YONHAP)—The Seoul government welcomed Japan's announced market-opening measures in a commentary Wednesday, saying it looks forward to a more concrete and effective follow-up in June.

Although Japan's market opening package requires further study, it proposes specific ways to reduce the country's trade surplus, increase public investment and advance deregulation, a Foreign Ministry official said.

"We evaluate highly the sincere efforts for market opening by the Japanese Government, such as expansion of domestic demand and increasing imports," he said.

"We hope that the plan's specific contents will be wrapped up in June and include more concrete and effective opening measures," the commentary said. "And also that such steps by the Japanese Government will improve South Korean entry to the Japanese market and contribute to rectifying the trade imbalance between South Korea and Japan."

Large Delegation Planned for Uruguay Round

SK3103110894 Seoul YONHAP in English 1026 GMT 31 Mar 94

[Text] Seoul, March 31 (YONHAP)—The government plans to send a mammoth delegation of about 30 officials to a ministerial conference set to be held in Marrakech, Morocco April 12-15 to sign the Uruguay Round agreement.

An official at the Trade, Industry and Energy Ministry said on Thursday that a large delegation will be needed since he said various talks are scheduled during the meeting period to discuss environmental and trade problems.

The delegation would comprise senior officials from the Economic Board and the Ministries of Foreign Affairs; Trade, Industry and Energy; Finance; and Agriculture, Forestry and Fisheries.

Some officials from related organizations like the Trade Promotion Corp. (KOTRA) will also be included, he said.

The United States is expected to send a 200-member delegation and Japan a 80-to-120-member team to the meeting, respectively.

Korea plans to take the occasion to hold trade ministers meetings with about 10 countries, the official added.

Minister Apologizes for Uruguay Round Schedule

SK0104111294 Seoul YONHAP in English 1015 GMT 1 Apr 94

[Text] Seoul, April 1 (YONHAP)—Agriculture, Forestry and Fisheries Minister Kim Yang-pae apologized on Friday over an amendment to the country's final Uruguay Round schedule.

"I feel sorry for failing to publicly discuss the amendment in advance," he said.

Testifying at the National Assembly Agriculture, Forestry and Fisheries Committee, the minister said the lack of its advance public discussion was due to a "strategic need" to prepare against verification by other countries.

Minister Kim also said he now thinks that if a little more efforts had been made, the country would have gained some more.

He said there are no secret agreements the government made with any specific parties.

"The so-called behind-the-scene agreement with the United States refers to the mere letters exchanged by the two countries' ambassadors to guarantee the implementation of what have already been agreed to," Kim said.

Korean, Canadian Trade Ministers Hold Meeting

SK0104084494 Seoul YONHAP in English 0616 GMT 1 Apr 94

[Text] Seoul, April 1 (YONHAP)—Trade, Industry and Energy Minister Kim Chol-su and Canadian International Trade Minister Roy MacLaren held the 12th trade ministers' meeting here Friday and agreed to form a working-level team to discuss further development of a "special partnership."

The ministers said their countries first developed a special partnership at the Asia-Pacific Economic Cooperation (APEC) summit in Seattle last November.

They agreed to hold the first meeting of the working-level team headed by assistant ministers this month.

Kim called on MacLaren to extend Generalized System of Preferences (GSP) status for Korean exports to Canada, scheduled to expire at the end of June, and MacLaren vowed to consider the matter positively.

The ministers also decided to form a Korea-Canada industrial technology cooperation committee to boost bilateral links in these areas.

Overseas Clergyman's Plan To Return 'Doomed'

SK3103122894 Seoul YONHAP in English 1052 GMT 31 Mar 94

[Text] Seoul, March 31 (YONHAP)—An overseas South Korean clergyman's plan to visit the home country is doomed to fail due to objection by government authorities.

The government is loath to allow the home visit of Rev. Yi Yong-pin, 68, active in Germany, on the ground that he had engaged in pro-North Korean activities abroad.

Yi, an outspoken critic of the past authoritarian regimes, had not been allowed into the country for decades in the past.

An official of the "committee for the promotion of Rev. Yi Yong-pin's return home" in Seoul said his committee on Thursday received a notification that the government would not allow Rev. Yi's return home unless he repents in writing of the "seditious activities" he made while visiting North Korea.

"The government notification is something unexpected. But, we will go ahead with the plan to have Rev. Yi come to Seoul on April 4," he said.

Rev. Yi who went to West Germany in 1955 for study, is noted for his struggles against the authoritarian governments of the past, and also for arranging talks between South and North Korean Christian leaders since early 1980s, in the course of which he visited Pyongyang in 1980.

Burma**Finance Minister Attends Bangkok Conference***BK3103162294 Rangoon Radio Burma in Burmese
1300 GMT 31 Mar 94*

[Text] A Myanmar [Burmese] delegation led by Brigadier General Win Tin, finance and revenue minister, has departed Yangon [Rangoon] on a Thai Airways International flight for Bangkok. They will attend a conference on capital management in the Indochinese countries to be held in Bangkok, Thailand on 1 April.

Cease-Fire Talks With Mon Delegates Successful*BK3103161794 London BBC in Burmese to Burma
1345 GMT 30 Mar 94*

[Commentary by Larry Jagan]

[Text] Responsible Burmese Government personnel have said that cease-fire talks with the Mon delegates in Moulmein ended successfully earlier this week. The Burmese Government said both sides had a frank and cordial exchange of views, explained their own positions, and discussed their differences of opinion. This is the second round of cease-fire talks; the first was held last December. According to Rangoon public opinion, the Burmese military leaders did not expect to reach a cease-fire agreement at the present talks. The next round of talks are scheduled to be held in Moulmein before the end of next month, but the Mon group does not seem too eager about the talks. According to sources among the ethnic groups at the Thai-Burmese border, the talks ended when it became clear that Burmese Government troops will not be withdrawn from Mon-controlled areas—a matter the Mon group has been pursuing since the end of the first round of talks with the Burmese Government last year.

According to Burmese and Mon sources, the main topic of discussion was border demarcation. It seems the Mons have exaggerated the region they claim to control. The Burmese military government delegates—although not objecting outright—say the cease-fire implementation should be based on the areas presently controlled by both sides, a stance they have maintained all along. The cease-fire agreement will officially recognize the end of military operations; troop withdrawal should not interfere with it. The government side pointed out that the withdrawal of troops will be the last thing discussed.

Five senior Mon officials from the New Mon State Party [NMSP] arrived in Bangkok from Moulmein yesterday and had dinner with the Burmese military attache last night. According to Mon sources, the parties will meet again in (?Ranong) on the Thai-Burmese border in a few days to discuss the outcome of the Moulmein talks and draw up future programs, with more talks expected in the near future. Burmese Government officials have always accepted that it was never easy to hold talks with internal ethnic rebel organizations. Discussions were

held on many occasions for more than a year before the cease-fire agreement was signed with the Kachins. The NMSP does not expect the cease-fire talks to take that long, but both sides agree that more talks are needed before the cease-fire agreement is signed.

According to responsible Burmese Government personnel, the second round of peace talks with the Karenni National Development Party is scheduled to be held soon in Loikaw, capital of Karenni State. The first round of talks was held in January. Another Karenni group, the Karenni National People's Liberation Front, announced they had agreed on a regional cease-fire in February, but responsible Burmese Government officials claim the Karenni group has not yet made any such arrangements.

'Slow Progress' Seen in Talks With SLORC*BK0104083694 Bangkok THE NATION in English 1
Apr 94 p A5*

[By Yindi Loetcharoenchok]

[Text] The armed ethnic Mon group announced yesterday there had been "slow progress" in its ceasefire talks with the Burmese junta and several more rounds of meetings will be needed to reach a truce.

The second round of negotiations took place from March 20 to 28 at the Burma Army's Southeast Command Headquarters in Moulmein, capital of the Mon State in southern Burma.

While the five-member Mon delegation tabled a 14-point agenda at the first meeting which ended January 3, both sides eventually agreed to concentrate first on a ceasefire arrangement.

The Mon announcement came amid strong speculation that talks between the New Mon State Party (NMSP) and the Burmese junta, known as the State Law and Order Restoration Council (Slorc), had broken down.

The Mon is one of the three remaining ethnic guerilla movements, which the Slorc has urged to enter peace negotiations.

While the Slorc has already met with the Karenni group, it has not yet opened talks with them.

The Karenni, the largest armed ethnic group of Karen, have insisted that ceasefire talks take place outside Burma.

In an interview on Wednesday after their return from Moulmein, two members of the Mon negotiating team, Nai Tin Aung, NMSP foreign affairs chief; and Nai Soe Myint, NMSP governor of Thatun District, said both meetings focused on the military demarcation line separating territories controlled by Mon forces and Burmese troops.

They specified five particular areas where the group wants to have full control—the central area of NMSP near Tavoy, Moulmein, Mergui District, Tavoy District and Thaton District.

The identified territory is home to several hundreds thousand ethnic Mon, many of whom support the armed movement.

Although "different points of view" over the demarcation still existed, Nai Tin Aung said he believed the two sides "can overcome" their differences.

"The ceasefire is linked to demarcation of Slorc and NMSP troops. We are still dealing with this.

"So far no agreement has been reached, but slowly we have made some progress," he said.

A date for the next meeting has been fixed. Nai Tin Aung said his team has to report back to the NMSP central committee before a new round of talks could be convened.

The Mon team was led by Maj-Gen Htaw Mon, NMSP secretary of the war commission.

It also included Col Kaw Rot, a member of the war commission and Nai Lavi Mon, education department chief.

Burmese Commander for Southeastern Command Maj Gen Ket Sein headed the Burmese delegation to the two peace forums.

Other delegates were Deputy Commander for Southeastern Command, Col Aung San, Col Kyaw Win, deputy director of the powerful Directorate of Defence Services Intelligence (DDSI), Burmese Military Attache to Bangkok, Col Thein Swe; Lt Col Kyaw Thein of the DDSI; Southeastern Command Chief of Staff, Lt Col Soe Htay, and Maj Myo Myint, a senior officer of Military Intelligence in Moulmein.

After the talks were inaugurated on March 20, the meeting was suspended while the Mon negotiators took two days to visit relatives and local Mon, Nai Tin Aung and Nai Soe Myint said.

"We explained to them the necessity to enter separate talks with the Slorc to end the civil war which has been going on for 45 years ...militarily, that is why we entered talks with Slorc separately," Nai Tin Aung said.

He said political turmoil in Burma needed a two-pronged approach, first to get a military ceasefire with various armed ethnic forces, and second to settle political problems with the participation of all parties concerned.

"But to have peace in Burma, we have to have a political settlement which must be done collectively by all parties together," he said.

Despite its pledges to adhere to the principle of collective peace negotiations with the Slorc laid down by the Democratic Alliance of Burma. [paragraph as published]

It is a loose umbrella organization of a dozen armed ethnic and dissident Burmese groups, the NMSP central committee agreed last November to engage in separate talks with the Slorc.

Nai Tin Aung said the Mon decision was in response to overtures by Burmese junta leader Lt Gen Khin Nyunt and that the group wanted to "test his sincerity."

We considered very deeply his invitation. We think since he was talking about peace we should accept it.

"We need to test his sincerity," he added.

Reportage on National Convention Plenary Session

Session Held 29 Mar

BK3003125494

[Editorial Report] Rangoon Burma Television Network in Burmese at 1300 GMT on 29 March carries a 50-minute report on the 29 March plenary session of the National Convention to draw up the basic principles for drafting the new state constitution held in the Central Meeting Hall of the President's Residence compound on Ahlone Road, Rangoon. The report includes recorded extracts of the proposal papers read by eight delegates from the political parties.

First, U Kyar Har Shei of the Lahu National Development Party presents his party's report. He proposes that statehood be granted to national races other than those who have already obtained the status of region and state; or the status of special division could be granted if a national race is not yet qualified to obtain the statehood. He also calls for direct access to the central government. He also proposes that self-administered regions and self-administered states be given the right of "self-administration and self-determination" in order for them to carry out the necessary legislative and administrative work.

He says Lahu nationals are spread out throughout the Shan State, especially in areas east of Salween River, and live together with Shan, Akhar, and Wa. He proposes that "Mong Ping, Mong Hsat, Mong Ton Towns be merged and formed into the Lahu National Self-Autonomous Zone" which will remain under the Wa State or Wa Special Division.

Continuing, he proposes that Yangon [Rangoon], as the capital city of the nation, be placed under the administration of the region concerned and not under the direct administration of the president, as proposed by some delegates.

Addressing the chapter on head of state, he proposes that the president be assisted by a vice president.

Next, U Saw Than Aung, deputy chairman of the Karen National League presents his party's proposal paper. He first presents an important issue affecting the Karen nationals—"fifth principle on the state structure, which says national races other than those who have already achieved the status of region or state" shall be entitled to a self-administered division or self-administered zone. Citing the distribution of Karen in the country, he asks the convention that the Karen State be made an exception to that principle. He says "the population of Karen in the Karen State constitutes only one fifth of the total population of Karen living throughout the country and that four fifths of Karen population live in other regions and states." He asks that the self-administered areas for national races with a population of between 100,000 and 500,000 be determined by the delegates during the duration of the convention.

He suggests that Pa-o, Palaung, Danu, Lahu, Akhar, Wa, Kokang, Mro or Khami, Naga, Lisu and others be granted self-administered area status if they so desire.

He says if the population of the Karen State is 1 million, there are 7 million estimated to be living outside the Karen State. With a view to solving the Karen national issue during the current period, he suggests that the ministry of national races affairs be set up in the central government to attend to the needs of Karen and other nationals. He also suggests that the constitution include a provision for the formation of the Karen Affairs Council with Karen members of Parliament from the Karen State and from other regions and states in order to solve the Karen problem. He also proposes that a Directorate of Karen Affairs be formed under the council.

Addressing the chapter on head of state, he proposes that the electoral college be formed with three groups of members from the two chambers of Parliament.

The meeting goes into recess at 1100 and resumes at 1200. U Phu Kwe Si of Kokang Democracy and Unity Party presents his party's report. He suggests that "in recognition of the historical, geographical, and cultural background of Kokang nationals, it is proposed that the social, economic, and administrative affairs of Kokang be managed by the Kokang, who are familiar with own customs and traditions." Addressing the issue of state structure, he proposes that that "the Northern Shan State Special Region-1 be granted the status of self-administered division or self-administered zone."

Addressing the issue of head of state, he suggests that the electoral college be formed with three groups of members of the two chambers of Parliament to elect the president and two vice presidents.

Next, U Marcos alias U Sai Lon of the Wa National Development Party reads his party's report to the plenary session. He says he again presents the proposal to prescribe the Wa State for Wa and other related races—(Em), Palaung, (Shan Tau), (Ainkyin), Duwai, Lawa—living in Tangyan, Mong Hsu, and an area between south of Nam Ting Creek and areas on eastern bank of the

Salween River, including Mong Ton and Mong Hsat. He also suggests that new states, self-administered divisions, and self-administered zones of the Union be given the rights of self-administration and self-determination.

He also suggests that legislative, judicial, and administrative powers be enjoyed by legislatures of the regions and that states be also granted self-administered divisions. He proposes that the government form commissions composed of experts and leaders of national races concerned in order to determine the self-administered divisions and self-administered zones.

Continuing, U Marcos says the Wa want direct access to the central government, rather than through parliament of a region or state, in attending to local political, economic, social, administrative, and development matters.

He also suggests that special union territories under the direct administration of the president shall not be formed unnecessarily. Regarding the issue of head of state, he suggests that the president and vice president be elected by the Union Parliament. He concludes his party's report by asking for the delegates' pardon if the report contains any mistake or offends any person or organization.

Next, U Khin Maung, Ponglong, of the National League for Democracy [NLD] presents his party's report. He notes the present time is the period for all national races to consult patiently among themselves as in a family, without any mutual suspicion. He says "It is very important for all to work in unity in order to raise high the banner of national reconciliation and march toward the emergence of a new democratic state." He says he agrees with the four principles on the state as explained by the chairman of the National Convention Convening Work Committee [NCCWC], but he would like to add the following provision: "Myanmar [Burma] is a motherland, where all indigenous national races reside" and that "this land is the motherland and country of all indigenous national races." He says "the perpetuation of the Myanmar Motherland depends on national unity. In recognition of this fact, the aforementioned provision should be included in the state constitution to further strengthen national unity. He adds: "As Myanmar is a motherland which jointly belongs to all indigenous national races, there is no reason for national races to be divided and to secede."

Next, U Nyunt Wai, elected representative from Pegu Division's Toungoo constituency-2, continues to read the NLD report. Addressing the issue of state structure, U Nyunt Wai says: "Extra care should be given in prescribing self-administrative zones in order to prevent the Yugoslavia-like scenario in the country." He expresses the hope that national races will work together. He suggests that the issue of granting self-administered status be determined by a government-appointed commission composed of national leaders as well as local leaders.

Regarding the status of the state capital, U Nyunt Wai suggests that Rangoon should retain its present status. He suggests that strategic places, such as the Coco Islands, be placed under the direct administration of the central government.

Next, U Lwin, secretary of the NLD, continues reading the NLD report when the session resumes at 1440 after a recess. U Lwin says: "It is the NLD policy to practise the federal system [two preceding words given in English] and to share and distribute the three sovereign powers with organs of power at different levels." He reiterates "the NLD policy that the system of administration of the state shall be based on democracy."

Addressing the issue of self-administered divisions and self-administered zones, he suggests that the legislative bodies of the self-administered divisions and zones should be democratic and should be formed with members who have the mandate of the voters in their respective constituencies. He expresses his concern that "if this is not practised, genuine democracy cannot be achieved and will amount to a self-infringement of the objective for a multiparty democratic system." Quoting political scientists, Jacobson and Lippmann, he says "the wishes of the voters constitute political sovereign power. Therefore, the legislatures concerned should only be formed with representatives elected by the people themselves."

Next, U Aung Shwe, NLD chairman, continues reading the NLD report. He says the NLD accepts the provision as explained by the chairman of the NCCWC that the president shall be a person capable of preventing disintegration of the Union and national unity and contributing to the perpetuation of national sovereignty and the progress and prosperity of the nation. He notes the NCCWC chairman also stipulates "the person to be president must be well versed in the political, administrative, economic, and military affairs of the state." U Aung Shwe says that although he agrees with the provision for loyalty toward the nation and its citizens, he asks "whether it is practical to prescribe the aforementioned qualifications." He says such qualifications can create problems for those standing for elections. Moreover, he says "the qualification to be well versed in military affairs would further limit the candidates as the majority of women who have won equal rights as men and worked side by side with them through various eras will not be able to stand for elections." He says: "All males and females who meet the citizenship requirements should be able to stand for elections." t) Continuing, U Aung Shwe refers to the national convention convening work committee chairman's proposed basic principle of electing a president by three parliamentary groups. He notes that the union parliament has been entrusted with the mandate [preceding word rendered in English] of the people. He says there is a need to have the participation of all the national races nationwide and to be within the framework of democracy in electing a president who will have the mandate of the entire populace. He proposes that "The first group be composed of members of the chamber of parliament who are elected based on an

equal representation from regions and states; the second group be composed of members of the chamber of parliament who are elected based on population; the third group be composed of members of the two chambers of parliament elected by the people from the states, divisions, and self-administered zones." He suggests that there should be only one chamber in the state and division parliaments and reiterates that the National League for Democracy is fully aware of the six national convention objectives.

He then proposes that "the groups should each select a presidential candidate either from among the parliamentarians or from outside. A presidential candidate select committee composed of senior members of the union parliament should scrutinize the qualifications of the candidate. If the candidate is found to be ineligible the candidacy should become invalid and a new candidate must be selected. After approving the presidential candidates, the union parliament should elect one of the candidates as president by sacred ballot. The candidate who received the second highest number of votes would become the vice president."

Session Held 30 Mar

BK0104071894

[Editorial Report] Rangoon Burma Television Network in Burmese at 1300 GMT on 30 March carried a 50-minute report on the 30 March National Convention Plenary Session to draw up the basic principles for drafting the new state constitution, held in the Central Meeting Hall of the President's Residence compound on Ahlone Road, Rangoon. The report includes recorded extracts of proposal papers read by six delegates from the political parties.

First, U Sai Soe Nyunt, a member of the Central Executive Committee of the Shan Nationalities League for Democracy [SNLD], presents his party's proposal paper on the chapter headings relating to the state, state structure, and head of state. Referring to the chapter heading on state structure, he recalls that "at the National Convention Plenary Session held on 13 August 1993, the SNLD proposed that the Union of Myanmar be composed of Kachin, Kayah, Karen, Chin, Bama [Burmese], Mon, Rakhine, and Shan States, which are equal. In other words, the Union should be comprised of eight states. The chairman of the National Convention Convening Work Committee prescribed that under the new constitution, the existing seven divisions should be formed into seven regions and the seven existing states should be formed into seven states, and that the said seven regions and seven states should have equal status. Therefore, this principle is different from our policy."

He suggests some nomenclature changes to be made to suit the times. He proposes that Union state [pyi-daung-su pyi-ne] be changed to national state [amyotha pyi-ne], autonomous state [ko-paing ok-chok-ya pyi-ne] be changed to autonomous region [ko-paing ok-chok-ya de-tha], and ethnic state [lu-myo-zu pyi-ne] be changed

to national area [lu-myo-zu ne-mye]. He proposes that members of the Union should be organized into these three categories.

Addressing the issue of power sharing, U Sai Soe Nyunt suggests that "union states who are members of the Union shall be given political autonomy. The states shall not be allowed to exercise sovereignty, however." He proposes further that "autonomous regions be given administrative autonomy," and that "national areas be given cultural autonomy."

He says: "The principle of a Union based on equal opportunity and status and the second point relating to full self-determination for the states are two issues that constitute the very heart of the Union. In other words, it is the very essence of the spirit of Panglong, and it should not be left out. Therefore, every time the issue of the Union is raised, it is necessary to scrutinize constantly whether it is based on the spirit of Panglong. The Panglong Treaty was signed in a spirit of unity."

U Sai Soe Nyunt explains that "in order to ensure checks and balances between the two chambers of Parliament, it is necessary to have Bamah State, which is comprised of seven regions. Only then can the two chambers control and balance each other and serve the country's interests by legislating laws acceptable to all."

Continuing, he says if some national races are granted autonomous regions for various reasons while other national races are not given the same status, despite meeting the requirements, the latter will be resentful and it will not benefit the Union. He says: "The British used the divide-and-rule strategy, and we will be accused of using the tactics of separate-and-rule in our era." Therefore, it is proposed that if the status of autonomous region is to be granted at all, it should be based on common criteria and fairness.

He says it will be necessary to consider the wishes and demands of the national races who were ignored when the constitutions of 1947 and 1974 were drafted. "These national races are the Tai Lai, Tai Nae, Tai Mau, Tai Sar, Tai Hkamti, Tai Kadu, Tai Kannan, and Tai Kuan—various groups of Tai Lian race—who are spread throughout upper Sagaing Division and lower Kachin State." The Tai Lian are a non-Kachin race whose existence has been ignored. They were known as a Shan-Bamah race living along the railway line in Sagaing Division and Kachin State and their original name of Tai Lian has been forgotten for over 40 years. He says these groups of Tai Lian meet the requirements to have a Tai Lian autonomous region. He "appeals for the third time publicly that the following areas be declared as constituting the Tai Lian autonomous region: All plains in Bhamo, Momauk, Mansi, Shwegu in Bhamo District; in Myitkyina, Waingmaw, Mogaung, Mohnyin, Kamaing, (Mumkuam) of Tanai in Myitkyina District; the former territory of Wuntha Sawbwa in Katha, Indaw, Tigyaing, Banmauk, Kawlin, Wuntha, and Pinlebu in

Katha District; Kale, Paungbyin, Tamu, Kalewa, Mawlaik, and (Mokang) in Kale District; and the former territory of Hkamti Sawbwa in Hkamti, Homalin, and Namyun."

He then proposes that a commission composed of honorable and impartial persons be formed by the state in order to ascertain the genuine wishes regarding self-administered areas. He says if self-administered divisions are granted legislative power they should have a legislature. In such cases, there will be too many legislatures and it will contradict the principles mentioned by the work committee chairman—each region and state should have their own legislature. Therefore, he proposes self-administered divisions not be given legislative power.

Addressing the chapter heading on head of state, U Sai Soe Nyunt says: "We accept the principle that the president is the head of state. We differ in opinion, however, on the president's powers. We want the president as a ceremonial head of state as in the 1947 Constitution. We want the parliamentary form of government headed by a prime minister." Continuing, he says: "If it is determined that the presidential system is the most suitable for our country, it is suggested that the president be elected directly by the people, as in the United States and the Philippines. A person eligible to be elected as a member of parliament should also be eligible to become president. Therefore, we should prescribe the principle that a person who meets the age requirement and whose parents are both citizens meets the requirement for the post of president. There should be no other requirements."

U Sai Soe Nyunt concludes his report by saying that "it is the firm belief of the Shan Nationalities League for Democracy that members of state organs who are to administer the people should be freely elected and appointed by the people themselves."

Next, U Thein Tun, a member of the group representing elected representatives from the National Unity Party, reads his paper. He first discusses the chapter heading on the state and requirements for self-administered areas to be formed in the regions and states under the new constitution. He suggests that a decision on the matter first be obtained from the convention. He supports the proposal that "the capital city of Yangon [Rangoon] be declared a union territory under the direct administration of the president."

Continuing, he expresses his support for the procedures for electing the president suggested by the work committee chairman. He suggests that the president and vice presidents be allowed a second term, that they not be allowed to accept any other professional posts or allowed to hold shares in economic enterprises, and that they be allowed to declare a list of their assets and those of their family to the Union Parliament each year.

He concludes his report by offering to work for the success of the National Convention through consultation and cooperation and with magnanimity and mutual trust.

After a recess, the plenary session resumes at 1210. U San Hla, a member of the elected representatives delegate group from the Union Pa-O National Organization, reads his group's report. He supports the formation of the state as a union. He points out the imperfections of the prime minister as a head of state in previous administrations and endorses the proposal for a presidential system of government.

Next, independent representative U Htaung Kho Htan reads the first part of a collective report by himself, U Yankyin Maw of the Shan State Kokang Democratic Party, and independent representatives Dr. Hmu Tang. He expresses the need to prohibit racial and religious discrimination in the new democratic state. His group report proposes that the name region not be used, and that all 14 states and divisions should be called states. He supports the basic principle on the formation of self-administered divisions or self-administered zones and proposes the need for prescribing "self-administered areas for the Kokang, Danu, Pa-O, Palaung, Bamar, and Wa nationals from Shan State; Chin, Kuki Chin, and Naga Chin nationals from Sagaing Division; and Asho Chin nationals living in Magwe Division and Arakan State." He also suggests the formation of a commission to determine self-administered areas.

Dr. Hmu Tang reads the second part of the report. He proposes that the capital should be Rangoon and that it should consist of Sanchaung, Bahan, Kammendine, Hlaing, Insein, Mingaladon, Dawbon, Yankin, Tamwe, Thaketa, Thingangyun, South Okkalapa, North Okkalapa, Mayangon, Ahlone, Pazundaung, Kyauktada, Mingalataungnyunt, Dagon, Lanmadaw, Pabedan, Botataung, Latha, Seikkan, and Kamayut townships. The capital should be a union territory administered by a mayor, elected by the people residing in the townships, and a city council. He says the basic principle of the president being the national leader of all national races should not be adopted, explaining that the status of national leader does not belong to a person just because he is a president. It is a status automatically designated by the people to honor heroes for their selfless service to the people and country. He also objects to the basic principal that the president should live in the country for at least 20 consecutive years to be eligible for election. He says it only depends on "loyalty to the country and people, love for the country, and goodwill toward the country." If the 20-year rule is adopted, it will be like closing the door of opportunity on the 20 million Burmese women who will never be able to get on the political stage. He proposes electing a president or vice president by rotating among the elected representatives based on equal representation from the Kachin, Kayah, Karen, Chin, Bamar, Mon, Arakan, and Shan. He finally proposes that any vice president who is not subsequently elected should not serve as vice president.

U San Tha Aung, an elected representative from the Mro, or Khami National Solidarity Organization [MKNSO], is scheduled present his report next. Because he is a member of the panel of chairmen, he is excused from reading his report, and with the approval of the alternate chairman his report is put on record. The television announcer presents extracts of his report. The report proposes that the Wa; Pa-O; Palaung; Mro, or Khami; Kokang; Lahu; Naga; Rawan; Kayan; Akhar; Lihsu; and Danu national races should be allowed to have self-administered divisions. The report says the Mro national race has lived in a congruous territory in "Pauktaw, Ponnagyun, Mrauk-U, Buthidaung, Maungdaw, Rathedaung, and Kyauktaw townships of Northern Arakan State, and Paletwa township in Southern Chin State, with an estimated population of 150,000." The report also proposes that a Mro self-administered division should be established not by a commission but by the delegates. In the report, he supports the work committee's proposals on electing the president and vice presidents and adds a proposal that "in accordance with the constitution, the president and vice presidents should be given suitable remuneration, benefits, and housing."

The plenary session ends at 1415.

Brunei, Malaysia & Singapore

Malaysia

Islamic Opposition Party Wins Lundang Election

BK0104152894 Kuala Lumpur NEW STRAITS TIMES in English 30 Mar 94 p 1

[Excerpt] Kota Baru, Tues.—Pas [Pan Malaysian Islamic Party] retained the Lundang seat with a reduced majority in the by-election held today with its candidate Mohamed Daud, 55, polling 9,270 votes to defeat Barisan Nasional's [National Front] Nik Abdul Rahman Nik Taib, 36, by a 4,246 vote majority.

Nik Abdul Rahman polled 5,024 votes. There were 145 spoilt votes. Seventy-two per cent of the 19,790 voters cast their ballots.

The by-election was held following the death of Pas State Assemblyman Marwardi Ahmad on February 12. In the last election Mawardi defeated Ariffin Othman of the Barisan Nasional by a 5,871 vote majority.

The electorate is made up of 19,411 or 98.08 per cent Malays, Chinese (305 or 1.54 per cent), Indians (64 or 0.32 per cent) and others (10 or 0.05 per cent). [passage omitted]

*** Minister on Islamic Separatists on Thai Border**

94SE0088A Kuala Lumpur UTUSAN MALAYSIA in Malay 17 Feb 94 p 7

[Text] Malaysia and Thailand have agreed to change the orientation of the General Border Commission (GBC) in the era following the end of the communist threat.

The two countries will make the GBC a commission that emphasizes social and economic development for the sake of finding a way to resolve the various security problems faced by residents of the border area.

Malaysian Minister of Defense Datuk Sri Mohd. Najib Tun Razak, who attended the 38th GBC Conference in Bangkok on 7 February, told UTUSAN that the main issue to be reviewed is the future role of the GBC.

One of the subjects discussed was the threat of Islamic separatist groups, such as the Pattani United Liberation Organization (PULO) and the Pattani Malay National Front (BRN).

Najib said that in the high-level talks between the armed forces commanders of the two countries, Malaysia stressed that the problems faced by Thailand are internal ones.

"We also stated that we will not help, support, or protect Islamic separatist groups. If we find Islamic separatist groups in Malaysian territory, we will take action, such as arresting them under Malaysian laws.

"This matter is rather complex, however, because of the existence of family ties among the border residents of the two countries.

"Free movement in and out of each country's territory can make the problem more difficult," Najib explained.

He feels that the problem is one of perception, because some Thai military leaders suspect that the Malaysian Government is doing something secretly to help the Islamic separatist groups.

"I wish to state that we have never had any secret or clandestine contacts that could be interpreted as helping those groups.

Military Action

"It is our viewpoint that the way out of the problem is to seek resolution through talks. This problem absolutely cannot be ended by military action.

"The only way to resolve the problem is to include and involve all parties in the socioeconomic development process," he said.

Najib said that if Muslims in southern Thailand want a better future, they must seek a way to have talks with the Thai Government.

This will enable them to get more benefit from the development process and to find a way that will permit them to have a more effective part.

He said terrorist activity is no longer an approach that can help determine the future.

These subjects are among the main agenda items to be discussed by the two countries throughout this year, and he hopes that prior to the 39th GBC Conference next year Malaysia and Thailand can find points of agreement to serve as future guidelines for the GBC.

With regard to the comment by General Kitti Rattanachaya, chief of the Fourth Army Division, that there are Islamic separatist bases in Kelantan and Perak, Najib said such bases do not exist.

"It is clear that Malaysia does not give protection to those groups.

"If we find that they have fled into Malaysian territory, however, and if we can track them down, we will take action according to Malaysian law."

Singapore

Secrets Trial Defendants Fined, Spared Sentence

BK3103152094 Singapore Singapore Broadcasting Corporation in English 1100 GMT 31 Mar 94

[Excerpts] All five persons charged with violating the Official Secrets Act were today found guilty of all the charges brought against them. They are fined between [Singapore dollar] \$1,500 and \$2,000 on each of the charges (?brought) against them. [passage omitted on names of defendants]

In passing judgment, Senior District Judge Mr. Richard Magnus said the prosecution had proved beyond reasonable doubt the charges brought against them while the defense had not rebutted beyond reasonable doubt those charges. The offenses arose as a result of a BUSINESS TIMES article in June 1992, which carried a flash estimate for the second-quarter economic growth that year.

In making the mitigation plea, lawyers for the accused persons urged the court to impose only a fine and not a custodial sentence. Replying, the attorney general, Mr. Chan Sek Keong, noted that all the five accused persons had distinguished careers. He said he would not go so far as to say that a custodial sentence is a correct sentence.

Cambodia

Sirivut Endorses UNHCR Repatriation Protest

BK0104100994 Phnom Penh AKP in French 0400 GMT 1 Apr 94

[Text] Phnom Penh 1 Apr (AKP)—Prince Norodom Sirivut, deputy prime minister and minister of foreign

affairs of the Kingdom of Cambodia, has voiced his support for a statement by the UN High Commissioner for Refugees [UNHCR] protesting against the Thai Army's repatriation of Cambodian refugees to another zone of the Khmer Rouge.

Actually, the prince asserted his endorsement of the UN stance following his return from Thailand where he paid a two-day visit at the invitation of Thai counterpart Prasong Sunsiri.

UNHCR High Commissioner Mrs. Sadako Ogata, in a message to the Thai diplomacy chief, expressed her anxiety over the repatriation by the Thai Government of 25,000 Cambodian refugees to another Khmer Rouge-held zone, instead of regions controlled by the Royal Government of Cambodia.

The Khmer Royal Armed Forces on 19 March took control of Pailin, the "capital" of the Khmer Rouge, prompting an influx of 25,000 Cambodian refugees, most of whom were Khmer Rouge families, into Thai territory. Thailand has lately begun to send those people back to a Khmer Rouge-held area at Phnum Malai hill, 45 km north of Pailin.

Agreement on Mineral Exploration Signed 24 Mar

BK0104101594 Phnom Penh AKP in French 0404 GMT 1 Apr 94

[Text] Phnom Penh 1 Apr (AKP)—Dellcom Cambodia Pty. Ltd. company will, at the end of March, send its experts to search for minerals in the Phnum Krava hill area in Kompong Thom Province and the Phnum Dek hill area in Preah Vihear Province. The search will be conducted in line with an agreement signed in Phnom Penh on 24 March by Pu Sothirak, minister of industry, mines, and energy; Na Than, director general of the department; and Nhem Plavi, director of Dellcom Cambodia.

The company will spend about \$3 million within a two-year timeframe, Nhem Plavi said.

Since September 1993, Dellcom Cambodia, which is supervised by Dellcom Malaysia, has requested the government's authorization to invest in the sector.

High Privy Council Holds Meeting 29 Mar

BK0104022094 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 30 Mar 94

[Text] The High Privy Council held a working meeting at the Royal Palace on the morning of 29 March in the lofty presence of Privy Councillors Samdech Nhoek Chulong, Samdech Heng Samrin, Samdech Son Sann, Samdech Chau Senkosol, His Excellency [H.E.] Say Phuthang, H.E. Chea Soth, and H.E. Mat Ly. H.E. Kong Sam-ol, deputy prime minister of the Royal Palace, was also present.

The meeting focussed on the presence of the king of Cambodia, who will return and stay in the Royal Palace in early April.

The king will receive the people in audiences to solve their key problems, specifically problems dealing with the farmers' livelihood. The king is the last resort to solving, via the audiences, any problem that the government and National Assembly are not able to smooth out.

Army Reportedly To Attack KR Mountain Base

BK3103143494 Hong Kong AFP in English 1049 GMT 31 Mar 94

[By Sheri Prasso]

[Text] Phnom Penh, March 31 (AFP)—Having captured the Khmer Rouge [KR] stronghold at Pailin last week, the Cambodian Army will aim next at the guerrillas' mountain base on the Thai border, home to their top commanders, a Cambodian general declared in a report Thursday.

The base, on a mountain called Phnom Malai, is where up to 30,000 Cambodian refugees were repatriated by the Thai military, after fleeing the fighting at Pailin, with the assurance that they would be safe there.

Not far from the northwest Aranyaprathet-Poipet border crossing, Phnom Malai is believed to be the permanent home of Khmer Rouge second-in-command Ieng Sary, as well as the part-time residence of the clandestine leader of the radical guerrillas, Pol Pot.

Border intelligence reports reaching Phnom Penh indicate that Pol Pot divides his time between his house in Phnom Malai, a second residence in a compound just inside the border from the Thai town of Trat, and a third in the Thai capital, Bangkok. The fanatical Maoist is responsible for the deaths of a million Cambodians in the "Killing Fields" during his rule in the 1970s.

"We are waiting for orders from the Royal Government. Then we can attack Phnom Malai at any time," said General Lay Vireak, quoted in the daily Khmer-language REAKSMEI KAMPUCHEA newspaper. "The Royal Cambodian Armed Forces are ready to capture Phnom Malai, which is a stronghold of 5,000 Khmer Rouge fighters," he said. "It is not as easy to attack as Pailin, because it is a real Khmer Rouge soldiers' base, whereas Pailin is only an economic base."

Pailin's ruby and sapphire mines and its rich hardwood forests provided an estimated one million dollars per month in revenues to Khmer Rouge guerrillas, who allowed concessions to Thai mining companies.

Although invading government troops have found several hundred tonnes of weapons hidden around Pailin, its primary purpose was economic and strategic rather than military, diplomats and observers here say. The road to Phnom Malai is paved on the Thai side of the border, but on the Cambodian side, the mountainous,

jungle-covered and malarial slopes will pose a formidable challenge to government troops already under pressure as they hold onto Pailin. In addition, the government is still using its resources in an attempt to retake parts of the Khmer Rouge's base in northern Cambodia, at Anlong Veng, which it captured and lost in February, diplomatic sources say.

Co-premier Hun Sen, who controls the Army, is likely to wait until the areas are more secure, before ordering the opening of another front, according to diplomats. Khmer Rouge troops at Phnom Malai shelled government troops reinforcing Pailin—about 20 kilometers (12.5 miles) to the south—for one hour on Monday, the newspaper said. It reported 62 Khmer Rouge and seven government soldiers dead, three Khmer Rouge captured and 600 AK-47s seized, but did not give the time frame for the fighting.

Another general reached by telephone denied a claim on Khmer Rouge radio that guerrillas had completely surrounded the government troops at Pailin and at a second location, Sala Krau. "We are not in the Khmer Rouge trap," he said. "We don't need to worry. We can match any manpower of theirs with our own."

CPP Plans Radio, Television Station Operation

BK3103142694 Phnom Penh REAKSMEI

KAMPUCHEA in Cambodian 31 Mar 94 p 12

[Text] The Cambodian People's Party [CPP] will soon operate its own television and FM radio stations. According to a high-ranking party official, the Information Ministry granted permission last week for the television and FM radio stations to be set up and air their programs to the public.

Mr. It Samheng, deputy cabinet director of the CPP, stressed: Technicians have made all the necessary arrangements to proceed with the construction as soon as possible. They are awaiting the final decision on the selection of a site. The technicians have to choose between two locations for the station. The first is the present party office compound and the second is the former party office, located behind the Botumvaddei Monastery. It is likely they will pick the current party office as the site for the television and FM radio stations.

The official went on to reveal that the television and FM radio stations will not be the CPP's exclusive property. They belong to a private company operating under the name ABK, which is completely locally owned. No details have been made available, however, on the shares the CPP holds in ABK or the duration of the venture. The party official affirmed that the television and radio transmissions will not be used as a tool against television and radio stations belonging to any other party. They will contribute toward serving Royal Government policy and the king's national reconciliation policy and will propagate news of all kinds to serve socioeconomic development in the interest of the general public.

Although he did not mention any economic considerations, some economists have observed that television and radio stations are prime sources of considerable income from commercial advertisements.

Some circles have expressed concern that these particular television and radio stations might become rivals to Radio FM 90 megahertz and Television Cambodia, widely known to be run by the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party. Others have said it is merely a CPP attempt to get even with FUNCINPEC, especially in preparation for the elections in the next 4 or 5 years.

It is understood that the television and radio stations of the State of Cambodia, formerly under CPP control, were returned to government hands the day the election results were announced last June.

This CPP television will be called "Television Angkor, Cambodia." No one knows yet how powerful this television and FM radio station's transmitter will be. According to Mr. It Samheng, it has been projected that in the initial stage the station will have the same power as TVK, the present government's national television network. In the future, its transmitting power will be enhanced to equal that of IBC [International Broadcasting Corporation].

It was noted that the power of the present government television station is about 1 kilowatt, while the CPP station is about 10 kw.

When the CPP's television and FM radio stations become operational, there will be four television stations and five [as published] radio stations in Cambodia: the government's television and radio, IBC television, FUNCINPEC television and FM radio, CPP television and FM radio, and Phnom Penh's radio. Not long ago, it was rumored that Kandal Province was planning to run its own radio station. This project has since been aborted.

Indonesia

ABRI Commander Receives Bruneian Counterpart

BK0104141194 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 1 Apr 94

[Text] Indonesian Armed Forces [ABRI] Commander General Feisal Tanjung received a courtesy call from Major General Datuk Indra Setia Datuk Sri Paduka Haji Sulaiman bin Haji Damit, his Bruneian counterpart, at ABRI headquarters in Cilangkap, Jakarta yesterday. A press release issued by the ABRI Information Service says the courtesy call was aimed at boosting bilateral ties and cooperation, especially between the two countries' armed forces, which have decided to upgrade their cooperation in training programs and exchange visits between military officers.

During the welcoming ceremony, which included the inspection of an honor guard, the Bruneian armed forces commander was conferred with the Yudha Dharma Utama medal by Gen. Feisal Tanjung on behalf of the Indonesian Government.

Editorial on Western Perception of Human Rights

BK0104122294 Jakarta THE JAKARTA POST in English 25 Mar 94 p 4

[Editorial: "The Human Rights Dilemma"]

[Text] When President Suharto once again criticized certain developed countries for linking aid programs with environmental and political conditions in an address the other day, he was joining the increasingly louder chorus of Third World leaders who steadfastly stand against pressures to bow to the Western countries' so called "conditionalities."

What we should underline from Suharto's remark is his warning that the disagreement over the issues of the environment and human rights could become new source of conflict in North-South relations.

True enough. The indications of this are there all right.

In the last several weeks the escalating war of words between the United States and China over human rights issues linked with China's most favored nation trading status has soured their relations to such an extent that, as Chinese Foreign Minister Qian Qichen expressed the other day China has threatened "to live without any trade relations with the U.S."

Other Asian countries, like Vietnam and noticeably Malaysia, also have raised the hardliner's flag. Even Singapore, a country which is known for its close association with Western countries, snapped back a few weeks ago when President Clinton protested the Singapore court decision to sentence an American teenager to six strokes of the cane and four months in jail for spray-painting cars.

While we acknowledge that human rights conditions in many Asian countries, including Indonesia, need much improvement, and that foreign pressure has helped the situation to improve, there are reasons to be concerned that without a proper switching mechanism, the still developing row could lead into a tragic collision course, something which we believe nobody wants.

Judging from the heated nature of the words being shot back and forth, many Third World countries are becoming ever more fed up with the conditions imposed by the developed countries. But, different from the situation a few years back, they now have economic clout to back their hardliner stance: Asia's economic growth has boomed to an extent the failing Western countries' economies cannot simply ignore.

Some Asian countries, like China, for example, have even come to the conclusion that Western countries need

them much more than they need the Western countries. The statistics and the projections seem to support these views.

For example, by the year 2000, Asia will have one billion consumers with sufficient spending power which will certainly create some of the biggest financial opportunities in history. Over the next decade, non-Japanese Asia is said to be planning to spend US\$1 trillion on infrastructure projects, something which Western companies are surely eager to be a part of. But, if these developed countries are overzealous about Asia's human rights conditions, they may lose this huge market.

On the other hand, Western countries like the U.S., are bound to their commitment to environmental and human rights causes. In the case of President Clinton, he cannot back off on these issues because Congress and other pressure groups would crucify him. Hence, a nation's credibility is at stake.

In the midst of this dilemma some sort of compromise and face-saving solution must be sought. To a certain extent, foreign pressure on Asian human rights conditions have yielded positive results. This can be seen not only in the improvement of the human rights conditions themselves, but more importantly in the spreading awareness of the significance of human rights and the encouraging of local peoples to fight for their rights.

Thus, to a certain extent, the pressure and the momentum thus achieved must be maintained. But different approaches must be taken. For example, Western countries should drop their "high and mighty" approach, which amounts to dictating their concepts of democracy and human rights to Asian countries. Nothing much will be gained from playing "globocop" now. The response is bound to be annoyance, resentment and possibly rage.

Minister Rules Out Economic 'Shock Therapy'

BK3103130894 Jakarta REPUBLIKA in Indonesian 22 Mar 94 p 2

[Passages within slantlines published in English]

[Text] Jakarta, REPUBLIKA—The national economy is in distress, but the government has given its assurance that shock therapy will not be used to overcome the situation. "I say that the Indonesian Government will not resort to shock therapy, nor will we adopt a TMP (/tight money policy/) again," Saleh Afiff, coordinating minister for economy, finance, and development supervision, said after receiving World Bank President Lewis Preston at his office on Monday (21 March).

According to Afiff, such measures would not be conducive to macroeconomic development and would tend to ignore the principles of caution. Thus, the government prefers safer measures to maintain strong economic stability.

He admitted the current economic situation is difficult. "Our economy has been facing many challenges since early this year," Minister Saleh Afiff said.

According to Afiff, unpredictably fluctuating oil prices and their downward trend are one of the challenges. Prices are expected to drop even further to \$13 per barrel. The benchmark prices are set at \$16 per barrel.

Inflation in the first two months of 1994 was quite high at 3.01 percent. This means the government must keep inflation below 7 percent in the remaining 10 months.

In addition, non-oil and non-gas exports—especially textiles and textile products—have experienced slower growth. The export of textiles and textile products grew by 2.8 percent between January and November 1993, representing 21.89 percent of total non-oil and non-gas exports. The figures were in fact higher than the previous year, but it is feared that this position may affect state revenues.

Afiff further said that the growing appreciation of the yen against the dollar is the most serious situation. "The appreciation may increase our /debt stock/," Afiff said.

He said that Indonesia's debt stock may increase by \$3 billion if there is a 15 percent appreciation. Thus, Indonesia's current debt stock of \$87 billion would swell to \$90 billion if there is an appreciation of that proportion. This will, of course, be an extremely heavy burden because 40 percent of Indonesia's total foreign debts are in yen.

This situation reminds us of the importance of maintaining self-reliance in development. We must reduce the role of foreign loans as much as possible, although the government has been able to manage the foreign loans.

Loans received by the government—60 percent of total foreign loans—are divided into three categories. 1) Soft loans repayable in 25 years with annual interest of 3 percent. These loans are arranged through the CGI [Consultative Group for Indonesia]. 2) Loans in the form of export credits repayable in 20 years with annual interest of 7 percent. 3) Commercial loans repayable in at least five years at market interest.

"The government has been able to manage the three kinds of loans. It is rather difficult, however, to manage foreign loans obtained by the private sector," Afiff said.

The private sector is currently expected to play a major role in development. As such, the government does not prohibit the private sector from seeking foreign funds. The government merely asks that they refrain from seeking excessive loans.

Regardless of the current situation, the World Bank has praised Indonesia's economic policy, especially the one taken in 1993. World Bank President Lewis Preston

praised strategic measures such as the various deregulation packages, which he said had relaxed the TMP and overcome other obstacles. In addition, inflation has been kept below 10 percent.

Students Stage Mock Funeral at Defamation Trial

BK0104141894 Jakarta THE JAKARTA POST in English 23 Mar 94 p 2

[Text] Jakarta (JP)—More than 500 students turned the Jakarta District Court into a theater yesterday and staged a tragedy in protest of the trials of 21 defendants charged under the nation's defamation law.

They carried a mock-up corpse on a bamboo stretcher through the corridors and burned incense, in what they said was Indonesian democracy's funeral.

Security officers stood by watching but made no attempt to interfere with the procession.

"Arrest us if you dare. Let's fill up the Salemba detention center," one said.

The court yesterday proceeded with the trial of the 21 accused of defaming the name of President Suharto.

The students were arrested last December after staging a demonstration at the House of Representatives (DPR) at which they demanded the People's Consultative Assembly convene to grill the head of state for his conduct.

Yesterday was the defendants' turn to present their defense and none showed remorse for their behavior and used the opportunity to lash out at the government for arresting them, calling it an infringement on their freedoms.

The defendants remain divided into three groups, depending on the government's view of the severity of their alleged offense. The prosecution's "hard core" group of defendants consists of Yeni Rosa Damayanti, Masduki, Hendrik Dikson Sirait and Adi Kurniawan. The other two groups consist of six and 11 defendants.

A lawyer of the group of four, Frans Hendra Winarta, told presiding judge Sutrisno yesterday that the prosecution's argument was obscure.

"It was not clear, precise or accurate as required by the Procedural Code."

Frans blasted the prosecutors for using a law inherited from the Dutch penal code, formerly used by the colonizers to charge freedom fighters.

The article in question, that is a part of the current Criminal Code, prohibits expressions of hostility, hatred and disrespect towards the President.

"During the Dutch period, that horrible and scaring article was heavily criticized by our forefathers," Frans said.

Yeni also read her own prepared, hand written defense statement, entitled "Speaking the Truth is not a Crime."

She said the protest at the House had nothing to do with the president. "We have no intention of mocking the president," the 29-year-old student militant noted.

The protesters main concern, she said, was the excessive involvement of the military in day to day affairs, known locally as the security approach to development.

The system has turned Indonesia into a "state of fear", she said using a theme of a speech by Myanmarese [Burmese] Nobel laureate Aung San Suu Kyi.

"I was accused of defaming an official, in fact it's I who has to feel insulted," Yeni said, adding that a number of high ranking government and military officials had called the students "anti- Pancasila" [state philosophy].

*** Commentary on Fighting Corruption, Collusion**

94SE0097A Jakarta SUARA KARYA in Indonesian 14 Feb 94 pp 5, 13

[Article by Nanda Utama: Corruption, Collusion and How to Overcome Them]

[Text] Corruption is one of the complex problems which the government constantly faces. This is understandable because corruption, manipulation, illegal fees, abuse of office or whatever you call it, always ends up the same way: the loss of money that the state uses to fund development.

Ironically, corrupt people are usually educated, have social status and plenty of power. Given all these advantages, they can try to protect themselves or at least make their modus operandi more sophisticated.

Attorney General Singgih, SH [Master of Laws], in a paper presented by Amran Hamid, SH, a member of his staff, at an international seminar entitled Urban Crime Trends in Criminal Policy held some time ago in Yogyakarta, revealed that according to figures from the Attorney General's office the quantity of corruption in departments or in nondepartmental government institutions has actually been declining from year to year. However, the quality of the corruption has been increasing.

From the 1988-1989 fiscal year to the 1992-1993 fiscal year the state lost 1,346 trillion rupiahs as a result of various cases of corruption in Indonesia. In an average year, Operation Justice was able to recover less than 10 percent of the money corrupted away from the state. In fact, only 1.28 percent of the 138.2 billion rupiahs that the state lost in corruption in the 1992-1993 fiscal year could be rescued (National News, 3 February 1993).

From these figures we can get an idea of how much money the state is losing to corruption. It is no exaggeration to say that corruption is a vicious cancer which has

spread throughout the entire body and has nibbled away at almost every level of social life from the lowest bureaucrat to the highest.

In this brief analysis, we will try to look at the dominant factors in corruption and at alternative solutions which might reduce the amount of future corruption without belittling the significance of efforts which the government has made up to this point.

Government Efforts

To overcome the increasing loss of state funds through corruption, the government has really tried in a number of ways to "reduce" the amount. This includes Presidential Directive Number 52 of 1970 concerning the Obligation of State Employees to List their Assets, opening P.O. Box 5000, creating oversight institutions, such as the BPK [Financial Control Board], the BPKP [Development and Financial Oversight Board] and the Attorney General's office, but the reality is that previous efforts have still not been very effective in cutting down on the amount of corruption.

The same is true of the Criminal Corruption Act (UUTPK), Law Number 3 of 1971, which relates to activities categorized as TPK [Criminal Corruption]; this can be seen in Article 1 paragraphs 1, b, c of the General Provisions. Just to remind the reader it would be good for us to look at those provisions.

According to Article 1 of the UUTPK, the following are to be sentenced for Criminal Corruption:

a. whoever violates the law by taking any action to enrich himself, another person or group, which directly or indirectly damages the finances and/or economy of the state, or if the action either unbeknownst [as published] to him or which he should think will damage the finances or the economy of the state.

b. whoever, with the intention of benefitting himself or a group, misuses the authority, opportunities or means which he has by virtue of his office or position and which can directly or indirectly damage the finances or economy of the state.

In addition to enacting strict legal regulations, the Minister of State for the Reform of the State Apparatus, at that time Sarwono Kusumaatmadja, also tried to use built-in controls (WASKAT). But this effort also proved insufficient if we look at the figures for the loss of government funds again.

It is the practice of collusion or conspiracy between "the top and the bottom," and also possibly between government officials and the private sector, which has caused a sharp increase in losses to the development budget. The pressures of need, the closeness of relationships, the pleasure taken in short cuts and in creating mutually beneficial relationships are indicators of a spurt in corruption.

This is in line with the statement made by the economic observer Kwik Kian Gie at a one-day session on Increasing the Role of BEPEKA [Financial Examination Board] in the Era of the Second PJPT [Long-Term Planning] in Jakarta on 25 January 1994. He said that if all of the BPK's findings were openly reported to the DPR [Parliament], as is required by the 1945 Constitution, it is possible that too many respected and highly placed bureaucrats would be caught and that bureaucratic stability would be shaken (National News 26 January 1994).

There are many obstacles in the way of authorities trying to prove collusion between "the high and the low". Efforts to salvage state losses have often run up against problems of finding out the facts. When certain figures suspected of corrupting away billions are checked, they no longer have the wealth. It turns out that they have transferred their wealth several times over so that it is no longer officially in their possession.

Confiscate It

It is really not too hard to find out if someone is being corrupt if we really want to. All you have to do is look at the person's monthly salary. For example, if a person makes three million rupiahs per month, 1.5 million will be used for food, family needs and other necessities. If the remaining 1.5 million rupiahs is saved, the savings will amount to 30 million rupiahs in two years. If he wants to have a fairly good car, he will have to save for two years. But in fact and people can see this he has three or four luxury cars. This doesn't even count other assets such as a house, land, bank deposits, etc.

As was touched on above, in many cases as soon as a corrupt person suspects that his corruption is about to be discovered, he tries to transfer his wealth as quickly as possible. In fact, it is even possible that he will manage by one means or another to transfer wealth which has already been confiscated to a third party.

Moreover, if they have not been arrested yet, it is possible that they will try to move their wealth abroad because the corrupt know that Article 35 paragraphs 1 and 2 of Law Number 3 of 1971 can be used as an effective weapon in the fight for keeping the wealth they have gotten from corruption.

According to Article 35 paragraph (1) of Law Number 3 of 1971, "Goods not owned by the person sentenced cannot be seized if the rights of a third party who has good intentions will be violated". According to paragraph (2), "If goods to be seized by a court order also include goods owned by a third party who has good intentions, within three months of the judgment he can submit a letter to the court objecting to the seizure of his goods. The prosecutor will be asked for an explanation but the explanation of the interested party must also be heard."

Nevertheless, because corrupt people always have so many tricks, the best option for rescuing state funds is to

confiscate them so as to prevent a transfer to a third party. At the very least, this option should be chosen as soon as there are indications that someone is being corrupt.

The Role of Religious Figures

Given the difficulties of overcoming corruption, it would be interesting to think about the opinion expressed by Sayed Hussein Alatas in 1986. Alatas said that the role of holy and charismatic religious figures has been the most important single factor in taming corruption throughout Asian history, as long as no other antidote was available.

The government must try to spread the influence of these religious figures through education and through other institutions. They must broadcast information about their opposition to corruption and this must be developed within their traditional cultures. Efforts of this type should be considered a force which supplements other ways of fighting against corruption and it must be made clear that the goal is to achieve a just and unbiased society.

The facts show that such holy and charismatic figures can speak directly to the masses using words which are easy to understand because these words are much more effective than a dry philosophical speech about justice.

To conclude this short essay, why don't we try apply the alternatives described above since the corrupt ignore the regulations. At the very least, it could reduce the financial loss to the state due to corruption.

Laos

Malaysia Delegation's Visit Termed Success

BK0104094494 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 1 Apr 94

[Editorial from 1 March PASASON: "A New Milestone in Lao-Malaysian Relations"]

[Text] At the invitation of His Excellency [H.E.] Saman Vi-gnaket, chairman of the National Assembly [NA] of the Lao People's Democratic Republic [LPDR], H.E. Tan Sri Datuk Mohamed Zahir bin Haji Ismail, speaker of the House of Representatives of Malaysia [HRM], led a high-level HRM delegation to pay an official friendship visit to the LPDR from 27 to 31 March 1994.

During their visit to the LPDR, the speaker of the HRM and the delegation paid courtesy calls on H.E. Nouhak Phoumsavan and H.E. Khamtai Siphandon, respectively president and prime minister of the LPDR. The delegation laid a wreath at the monument of unknown combatants and visited a number of economic and cultural establishments in Vientiane Municipality and Xieng Khouang Province.

An official meeting between the LPDR NA delegation and the HRM delegation was held at the National

Assembly Hall to exchange views and discuss the situation with each other under an atmosphere of profound friendship and mutual understanding. At the meeting, the two sides informed each other of certain prominent developments in their respective countries and exchanged a common direction for strengthening the relations and cooperation between the legislative organizations of Laos and Malaysia for their common and unilateral interests in the immediate and long-term future.

The two sides were proud of the development of the fine relations and cooperation and multifaceted mutual assistance between Laos and Malaysia and were unanimous to continue multiplying and enhancing the said relations and cooperation on the basis of the five-point principle of peaceful coexistence. They regarded the agreement on economic, scientific, and technical cooperation, the agreement on air transportation, and the agreement on the promotion and protection of investment signed between the Governments of Laos and Malaysia in early December 1992 as a symbol of utmost significance in the Lao-Malaysian cooperation in the new period. The two sides unanimously agreed to exchange visits by delegations at various levels to draw lessons from one another and to organize technical training programs and study tours beneficial to both sides. Regarding international relations, the two sides unanimously agreed to further promote an atmosphere of peace, friendship, and cooperation in Southeast Asia and the world.

The success of the visit to the LPDR by the speaker of the HRM and the delegation constitutes a new glorious milestone in the relations between the legislative institutions of Laos and Malaysia and, at the same time, an important contribution to the building of peace, stability as well as relations and cooperation in Southeast Asia and the world. The multiethnic Lao people wholeheartedly hail this event of great significance to Lao-Malaysian relations and pledge to do to the best of our abilities to contribute to making the existing relations of friendship and good cooperation between the two countries and peoples of Laos and Malaysia more fruitful so as to bring benefits to our two peoples.

Border Cooperation Talks Held With Thailand

BK3103143094 Vientiane KPL in English 0921 GMT 31 Mar 94

[Text¹ Vientiane, March 31 (KPL)—The sub-committees for cooperation in border security of Laos and Thailand yesterday morning held their first annual meeting in the Thai province of Nong Khai.

The meeting was chaired by Lt. Gen. Phisan Suprawat, vice president of the Thai-Lao Sub-Committee for Cooperation in Border Security. The head of the Lao side to this meeting was Brigadier General Douangchai Phichit, president of the Lao-Thai Sub-Committee for Cooperation in Border Security.

The meeting ended with the signing of its minutes. The head of the Lao side informed Lao and Thai mass media that this type of meeting scheduled every three months, was to discuss the cooperation in keeping security along the common border of the countries and other issues concerning the sub-committees. He said the sides were unanimous on the assessment of the situation along the common border of the two countries and that the Lao and Thai people have a good mutual understanding about the loophole (?leading to) goods smuggling and illegal activities by bad elements affecting security and order along the common border of the two countries.

He also said that the sides agreed to increase their cooperation in preventing such activities and that they would continue to educate the people living along the common border to be more cooperative with the local authorities in order to make the common border one of genuine peace and friendship.

The head of the Thai delegation also told the media that this meeting proceeded in an atmosphere of mutual understanding. He said each side raised border issues for discussion at the meeting, particularly the illegal immigration that the sides would further consider its solution to ensure more security and order along the common border. He also said that the Thai Army would increase its assistance to Laos in technical training of the Lao military and also in study tours for the Lao military, and provide a number of medical equipment for Hospital 103 of the Lao People's Army.

Philippines

Senate Approves Bill To Open Banking Market

BK0104121994 Manila MANILA STANDARD in English 28 Mar 94 p 12

[Text] The Senate approved on final reading a bill that will allow the liberalized entry of foreign banks in the Philippines before the chamber adjourned for the Lenten Season recess. The measure was certified urgent by Malacanang [presidential office].

Senator Raul S. Roco, chairman of the Senate Committee on Banks Financial Institutions and Currencies, stressed that liberalization would allow the Philippines to join the global economy and give the country access to foreign funds development and opportunities opened by present international market conditions.

"When the whole world is making the globe smaller; when NAFTA is being organized; when the European common market have become one; when ASEAN is trying to assert its proper leadership in the economic development of the Pacific Area, are we in the Philippines going to be alone and be left behind by all these developments?" Roco said.

The approved bill (Senate Bill 1606), entitled "An Act Liberalizing the Entry and Scope of Operations of Foreign Banks in the Philippines," allows a total of six

foreign banks to enter the Philippine banking system within a period of five years to foster greater competition in the industry. The president may recommend two more banks.

In the bill, foreign banks will be allowed to enter through any one of the three modes namely:

- By acquiring, purchasing, or owning up to 60 percent of the voting stock of an existing bank;
- By investing up to 60 percent of the voting stock of a new banking subsidiary incorporated under the laws of the Philippines; or,
- By establishing branches with full banking authority.

Foreign banks will be allowed to bring in not more than three branches with a capital requirement of P [Philippine pesos] 300 million. For every branch in addition to the three (sub-branch), P50 million shall be added to the permanently assigned capital. Assigned capitals shall be inwardly remitted and converted into Philippine currency.

Roco stressed that foreign banks that would establish branches in the Philippines would give the country access to global resources of the mother company. "That is principle of the liberalization."

Apart from increasing competition, Roco added that liberalization would equalize ownership in Filipino banks. At present, Filipino groups can only own 20 to 30 percent, while foreigners can own up to 40 percent. The bill contains a provision that allows a foreign bank or a Philippine corporation to own up to 60 percent of the voting stock of only one domestic bank or a new banking subsidiary.

One of the guidelines for approving a foreign bank application is ensuring that reciprocity rights are enjoyed by Philippine banks in the applying foreign banks' country. The Monetary Board, which is the approving body, is given other guidelines such as:

- Ensuring geographic representation;
- Considering strategic, trade and investment relationships between the Philippines and the country of incorporation of the foreign bank; and,
- Study the demontation for financial innovations and stability in a competitive environment of the applicant. [sentence as published]

Only those among the top 100 banks in the world or the top three banks in the country of origin shall be allowed to enter.

He said it was time for the Philippine banking industry to share the profits with the Filipino people. At present the banking industry, despite being the most profitable in the past 15 years, gave only 3 or 4 percent interest in deposits while charging 20 to 23 percent interest in borrowing.

"The liberalization will foster greater competition in the banking industry in attracting depositors," said Roco.

Ramos Inaugurates Power Plant in Subic

BK0104113694 Manila MANILA STANDARD in English 28 Mar 94 p 2

[By Fel V. Maragay]

[Text] President Ramos inaugurated yesterday the \$128 million diesel power plant at the Subic Bay Free Port which will boost power reserves by 116 megawatts and further minimize the possibility of brownouts during the summer months.

The opening of the plant, the chief executive said, disproves the apprehensions of some quarters that Luzon and other parts of the country may be hit by power outages lasting about five hours daily during the dry months.

"Today, we also deliver a strong message to our people that there will be enough electric power this summer to meet the needs of households and large industrial users alike, and debunk, through action and accomplishment, the delusions and fears of some doubting Thomases in our midst that power sufficiency will not be possible at this time," Mr. Ramos said.

This is the fifth power plant to be inaugurated by the chief executive in three weeks.

Earlier, Mr. Ramos opened four power facilities with a combined generating capacity of 285 MW—three plants for Luzon and one for Mindanao.

The three power projects in Luzon with a combined capacity of 240.73 MW which the President had switched on were the Kalayaan Pump Storage Power Plant Unit II in Laguna de Bay (150 MW), the Macban Binary Power Plant between Mt. Makiling and Mt. Banahaw in Laguna (15.73 MW) and the Bacman I Unit II and Bacman II Unit I geothermal plant (75 MW) in the boundary of Albay and Sorsogon.

The Subic Power Plant was built by Enron Power Philippines Corp. in partnership with the Rizal Commercial Banking Corp. headed by Chairman Alfonso Yuchengco, House of Investments, and Pan Malayan Investment and Management Corp. under the build-operate-transfer (BOT) scheme.

The president said it was propitious that the Enron power plant was inaugurated on Palm Sunday, marking the "light-filled entry" of Jesus Christ into Jerusalem.

"This power plant comes as a fitting reminder that from suffering comes redemption and that we can triumph if we have the will, and call upon God's help to achieve," he said.

Mr. Ramos recalled that he had vowed last year to end power outages by December. He said he had also promised that in the following months, his administration will take further steps to strengthen the power sector and build up the power reserves to cope with the peak demands of summer.

"We have made good on that promise," the president said. "And beyond that, continue to reinforce that commitment by augmenting our power reserves—because the people deserve nothing less.

"The full operation of the Enron plant will make the Subic Free Port self-sufficient in power and therefore more attractive to investors.

"We moved closer to our vision of transforming the Subic Bay Free Port into one of the major launching pads of our economic take-off with every company and facility getting established," the president said.

This is the second power project of Enron in the country. The first was the 105-MW power plant built for the Batangas Power Corp. in Pinamucan, Batangas.

Mr. Ramos noted that the United States-based Enron Corp., the parent firm of Enron Power Philippines, Corp., operates the longest pipeline in North America, and has constructed and is operating many power plants in four continents of the world.

The president said it is "heartening to know" that Enron has seen fit to strike a partnership with the Yuchengco Group, which he described as a "very stable, well respected group of Filipino companies."

"The Enron-Yuchengco partnership speaks well of Enron's commitment to a long-term presence in the Philippines and of the Yuchengco Group's willingness to venture into the promising area of power generation," he said.

Under the agreement signed by the National Power Corp. [Napocor] and Enron, the 116-MW plant, with a life span of 40 years will be operated by Enron for 15 years after which it shall be turned over to Napocor without cost.

Present during the inauguration were Subic Bay Metropolitan Authority [SBMA] Chairman Richard Gordon, and his wife Catherine, Enron officials led by its president and Chief Operating Officer Kenneth Lay, SBMA personnel and volunteers, and other government officials.

Peace Negotiator Discusses Current Situation

BK0104103094 Manila THE MANILA CHRONICLE in English 29 Mar 94 p 5

["Excerpts" of interview with Manuel Yan, chief government negotiator with the Moro National Liberation Front and concurrent presidential adviser on the peace process, by Frank Longid and Manny Mogato under the

rubric "Face to Face"; place and date not given: "The Peace Process Is Moving Forward"]

[Text] How do you assess the current state of the peace process?

I believe the peace process is moving forward. Not spectacularly, but moving forward steadily, and we have to continue the efforts of the OPAPP (Office of the Presidential Adviser on the Peace Process) and try to see if we can still further accelerate the pace of the peace process. But it is doing quite satisfactorily, and it is a factor in the improvement of the peace and order situation. That's why the president is really keen on seeing to it the peace talks of all the three panels will be further enhanced. On our part, on the part of the panel dealing with the MNLF (Moro National Liberation Front), we will have our second mixed committee meeting in Zamboanga after holy week and then in the middle of the month of April we go to Jakarta for the second round of formal talks.

Exactly how will do you propose to accelerate the pace of the peace process?

On the part of the holding of the peace talks, we will depend on the chairmen of the other two panels also to try to dispose of the obstacles in the way of the holding of exploratory talks or resuming the ongoing negotiations insofar as the military rebels are concerned.

When you say the peace process is moving forward, this statement seems to apply only to the talks with the MNLF.

That is why as I said the president has appealed to the other chairmen to try to ride over the existing obstacles there are in the way of having formal negotiations or resuming the negotiations if they have been stalled. And that's the reason why he said we should not rely so much on legal technicalities. We have to do everything in order to move the talks.

There are now reportedly three communist rebel groups.

So far the panel of Ambassador (Howard) Dee is dealing with the main group headed by Joma (Jose Maria) Sison and Mr. (Luis) Jalandoni. Because Jalandoni has been recognized as their chief negotiator and spokesman. So that's why Ambassador Dee is doing his best.

Are there any concrete plans to start dealing with any of the rebel factions?

Maybe later on. Just like our panel: we are now having talks with the MNLF, but we are also committed to later on negotiate with the MILF. Because these are all elements of our society so we have to try to do our best to have talks with them and to have an agreement with them and come to terms with them. That's the only way we can have peace, really, because these are all elements of Philippine society, the Philippine community.

How long do you think the peace process will take? Oh... Another six years?

I don't know. We cannot really give a time cap on these negotiations. In our case, you know that the Tripoli Agreement was signed in 1976. So we are now still in the process of elucidating and clarifying the issues that remain to be discussed, for further or later discussion.

How will you deal with the apparent impatience of some groups, such as the RAM [Rebolusyonaryong Alyansang Makabansa; Nationalist Revolutionary Alliance] which has repeatedly rated the pace of the peace process as too slow.

All we can say is we would like to conclude these negotiations as soon as possible. But as I said it's very difficult to put an exact date.

On what does the success of the peace process depend on?

It will hinge first of all on the sincerity and determination of both panels in each of these areas to really move the talks forward. Secondly, it will depend also on the support given to the holding of these talks by all agencies of government, the bureaucracy.

And then in the final analysis, it will depend on all the support given to it by the people themselves—by the NGOs [nongovernmental organizations], and the people in the different communities.

And that's why on our part, for instance, in the panel dealing with the MNLF, we want to have different meetings, in different places in Mindanao. That has the beneficial effect of acquainting the people in each of these areas with the ongoing peace process.

How can the people interact?

For instance, in making preparations for the holding of the talks in certain communities, we first contact the local officials, and then inform them of the site where the talks will be held. Later on, when the talks are going on, both panels, will have the opportunity to meet with people's organizations, the NGOs. For instance before, Congresswoman Lobregat in Zamboanga City had objected to our holding talks there. Now they have offered to host, and Congresswoman Lobregat is even offering her own place for the second meeting.

How will your new job as acting chief of the OPAPP affect the talks with the MNLF?

It will certainly help because first of all it enhances my own status in the eyes of the MNLF and also in the eyes of the Indonesian government.

We have already established a close rapport with Nur Misuari and I'm sure he will welcome this development and he will be happy to deal with us better.

What extra powers or authority come with the office?

The extra authority is, I have the authority now to supervise and coordinate the talks of the other panels.

Will it give you more power to offer concessions to the MNLF?

No. Whatever concessions I will offer will still have to depend on the president. Because he was the one who made that commitment that we are going to elevate the talks to a higher level in order to show his commitment to the peace process as a whole and to the success of our negotiations with the MNLF.

What is the ideal role of the presidential adviser on the peace process?

The ideal role? The role of the presidential adviser on the peace process covers a very wide scope, so it is difficult to put the pin on just one area. But in general we have to see to it that there will be a satisfactory progress in the area of negotiations with the three groups.

Secondly, we also have to look after the welfare and rehabilitation of those who will decide to surrender and come within the fold of the law. In our case, one of our primary objectives in the talks with the MNLF is to attain the objective of their return to Philippine society as members of the community.

Will there be any major policy changes with regard to the peace process?

I don't think there will be any major changes in policy. We will have to follow the same guidelines and policies that have been prescribed by the president to the defunct NUC (National Unification Commission) and the OPAPP since it was set up last year.

The negotiation panels have their own respective instructions from the president and I intend to sit down with the other two chairmen in order to get a more detailed briefing of the progress of their negotiations and how they come up to the compliance with instructions to the president.

On our part we have our own manual of instructions which have been approved by the president.

What innovations, new ideas will you introduce at OPAPP.

I still have to go to my office. After I take my oath of office I'll go there and get a feeling of the set up there.

What is important is first of all to motivate the people in the OPAPP to discharge their duties not only properly but with the proper spirit. And the same goes for all the personnel involved in the peace process.

Later on I'll contact also the other agencies in the process like the convenors in the provinces and the representatives of the different sectors.

Won't your duties at OPAPP take up too much of your time which would in turn adversely affect the talks with the MNLF?

I don't think so because there is an existing office organization there, a secretariat, and as a matter of fact they have been working in that line of activity since a few years ago, since the time of Cory [President Corazon Aquino], that group was there. Then they were converted to NUC when President Ramos came in and now the OPAPP. But more or less the key people are there.

What are the remaining obstacles to the peace process?

Well they're not really obstacles. Maybe we really have to find out whether there are adequate funds and resources for the further advancement of the peace process. Now when I say further advancement we want the acceleration of the peace process because we want the peace process to be able to contribute meaningfully towards our economic takeoff especially in Mindanao. Mindanao is part of the East Asean Growth Polygon that President Ramos wants. So if we want the Growth Polygon to really become a working concept then we have to do our part in achieving that comprehensive, just and lasting peace in Mindanao.

And the other two elements, the other two negotiating panels, the same: whatever will enhance the peace and order and security situation in the Philippines will certainly help in further improving our economic image.

What will the additional funds be used for.

We need funds for the conduct of the talks, and funds for the rehabilitation of those who will apply for amnesty, funds for the conduct of consultations with the communities all over the country.

Is the budget for the peace process inadequate?

Well in our experience, the budget that we have requested is adequate but we would like to request for more prompt and speedy release of funds.

Rebel personalities often accuse government of insincerity. Exactly how will government convince them of its sincerity?

That is also a two-way proposition. As they say it takes two to tango. If one side perceives insincerity then of course the other side will have to make extra effort to prove that they are sincere in holding these talks. That is the key, precisely, to the success of the negotiations: the sincerity and determination of both sides to proceed with the talks in order to attain success. Because success will redound to the interest of both sides.

Does government have any new ideas on how convince, for example, Luis Jalandoni and Jose Maria Sison?

What I am sure of is Ambassador Dee and members of his panel are really very sincere and determined and keen on meeting with the NDF/CPP/NPA [National

Democratic Front/Communist Party of the Philippines/New People's Army] panel. Only that there have been some extraneous issues introduced into the picture. For instance, they are supposed to have these exploratory talks. I see no reason why we cannot have that, it's just exploratory. But right now they are involved in discussion of issues, like the Constitution.

What about the RAM?

The RAM now is willing to go back to the negotiating table. They had been holding formal negotiations already but they are suspended because of some demands on the part of the RAM. But now I think they have become aware of their commitment also to participate in these peace talks, to move it forward.

How will government prevent them from withdrawing again?

Mayroon silang mga hiningi [They have], certain demands, so the panel is now studying how to meet some of these demands without sacrificing our integrity and our sovereignty and provided they are done within the framework of our laws. If it is within the scope of the law, I see no reason why the Philippine panel will not agree to it.

Can government continue to bend over backwards just to entice rebel groups to participate in peace negotiations?

On our side we are going on with our discussions, whatever agreements have been reached were all within the framework of our laws. So that's our principal guidance.

I know they are now studying the requests of the RAM to see how far they can meet the requests—still within the framework.

What can we expect from the peace process. Will there be any concrete developments within the year?

Within the coming year we would expect a little more, some more developments.

Do you foresee formal talks with the NDF occurring within the next six months?

Well, formal talks in the case of the panels which are already in it and in the case of other panels, exploratory talks.

Will exploratory talks with the NDF begin within the next six months?

Yes, I think it's very probable that can be brought about.

Ramos Government Blamed for Stalled Peace Efforts

BK0104104394 Quezon City MALAYA in English 27 Mar 94 p 4

[By Chit Estrella]

[Text] Resumption of the peace efforts with the National Democratic Front (NDF) remained uncertain as the leftist organization said it will not engage in talks with the government unless the latter removes the "obstructions" in the negotiations.

In a statement, Luis Jalandoni, NDF vice chairman for international affairs, said the obstructions include the issuance of Executive Order No. (EO) 125 which sets the Philippine Constitution as the framework for the peace talks, the alleged coddling by the government of persons who broke away from the leadership of the Communist Party of the Philippines, the continued detention of political prisoners, and lately, the government's inaction on the plight of 10,000 victims of human rights violations seeking monetary claims on the Marcos estate.

Jalandoni also criticized President Ramos' "lack of sincerity in seeking serious peace talks" when the latter declared the impending collapse of the New People's Army during the graduation rites of the Philippine Military Academy.

"His predecessors, Mr. Marcos and Mrs. Aquino, had made similar pronouncements. Now Mr. Ramos indulges in the same wishful thinking. The revolutionary movement is strong and fighting for the just cause of the people throughout the country," the NDF official said.

The organization blamed the government for the delay in the talks, saying, "It is the unilateral decisions of the Ramos regime in contravention of the Joint Declaration signed in The Hague on 1 September 1992 that have caused the delay in the talks between the NDF and the GRP Government of the Republic of the Philippines."

The joint declaration said the two sides would not set any condition for the talks. The NDF considers the issuance of EO 125 as a condition set by the Philippine Government.

"The NDF stands by its commitment to seek a just, enduring, and liberating peace. But it will never agree to the GRP Constitution as the framework of the talks and it remains firm in calling for the removal of the obstructions placed by the Ramos regime," Jalandoni said.

Extremist Group Warns of More Terrorist Acts

BK0104101894 Manila PHILIPPINE DAILY INQUIRER in English 27 Mar 94 p 16

[By Rolly San Juan]

[Text] Zamboanga City—The Abu Sayyaf has warned of more terrorist acts, including bombings, kidnappings, and attacks on police stations and detachments, if the military continues operations against it.

The warning was contained in a letter sent to the Southern Command by Ustadz Abdurajik Abubakar Janjalani, leader of the Sulu-based extremist group.

Lt. Gen. Thelmo Cunanan, chief of the Southern Command, earlier ordered Col. Ponciano Millena, 2d Marine Brigade chief, to disband the group at all costs.

The military reportedly planned an offensive against the Abu Sayyaf, now said to be holed up in the villages of Takes Jakil and Buhangiran in Patikul, Sulu.

The group was reported to have joined forces with the "lost command" group of Commander Redjulan.

Regional Police Director Roberto Lastimoso has placed all police personnel here on alert and ordered the setting up of checkpoints in the city's strategic entry points.

"We cannot be intimidated by the Abu Sayyaf," he said.

The group abandoned its main headquarters in Basilan last June and sought sanctuary in Patikul after the military launched an all-out operation after the kidnapping of Fr. Bernardo Blanco and six-year-old Luis Anthony Biel.

Blanco was able to escape, while Biel was later freed by his captors.

The Special Action Group of the Philippine National Police arrested on Friday a suspected member of the Abu Sayyaf along Governor Lim Avenue here.

Police identified him as Jalilul Amin, 31, of Jolo, Sulu.

Seized from Alalin's possession were a .357 Magnum revolver and a handheld radio.

Reactions to Government's Amnesty Program Noted

Military Rebels Reject Offer

BK0104090394 Manila PHILIPPINE DAILY INQUIRER in English 27 Mar 94 pp 1, 10

[By Letty Jimenez-Magsanoc]

[Text] The military rebels are holding fast to their "dreams." "Our dreams shall never die," renegade Lt. Col. Gregorio "Gringo" Honasan said when asked to comment on the two proclamations signed by President Ramos last Friday granting general but conditional amnesty to communists, separatist Muslims, and military coup plotters.

The "dream" consists of electoral reforms, reforms in the military, nationalist economic policies, social justice programs, and good government. "Not amnesty," said Honasan.

"It's a PR (public relations) program. The government knows the rebels will not go for it. Amnesty at this point will not solve the problem," he added. "Amnesty was never the issue. It is skirting the issue. It ignores the root causes (of rebellion).

"Giving amnesty shows a lack of understanding of the peace process. The substantial portion of the peace talks is only starting. Why is the government giving out its last card? It's a sign of desperation."

Honasan's position contrasts with that of the president who issued Proclamations 347 and 348 on general amnesty for all rebel groups because, he declared "The time for talking is over. The time to decide and act now has come."

The government peace panel is still in the process of devising a mechanism for the peace talks proper after the 10-month tenure of the National Unification Commission (NUC) which held preliminary talks with the military rebels.

The NUC headed by Haydee Yorac held talks with the military insurgents from 1 September 1992 to 31 July 1993, at which time the Rebolusyonaryong Alyansang Makabayan [Revolutionary Nationalist Alliance], Soldiers of the Filipino People, and the Young Officers Union (RAM-SFP-YOU) presented to the Yorac panel its dream package of reforms as their five talking points, and they have since stuck to it.

"What was the whole point of the P11 [Philippine pesos] million NUC exercise? It issued a five-inch thick report. What happened to that report?" Honasan demanded.

RAM sources claimed the NUC report which has not been made public recommended unconditional amnesty for the rightist rebels. It drew up its report to submit to Mr. Ramos after nationwide consultations with all sectors.

The president said the amnesty proclamations came after almost two years of consultations with various sectors.

"We will not apply for amnesty," Lt. Col. Jake Malajacan said on behalf of the leaders of the RAM-SFP-YOU.

To be granted amnesty, rebels have to apply with the newly formed National Amnesty Commission within six months of the proclamation's effectivity starting when Congress concurs.

The INQUIRER learned that while the leaders of the RAM-SFP-YOU reject the amnesty offer, they will "unofficially" encourage their rank-and-file to avail themselves of it.

Ex-Capt. Danny Lim, YOU chairman and spokesman of the RAM-SFP-YOU peace panel, said the government should seriously address "the fundamental issues" that have beleaguered the military.

"Amnesty is not even on the agenda," said Malajacan, member of the military rebels' peace negotiating panel. "We are not asking for it."

Proclamation 347 grants amnesty to all persons who in pursuit of political beliefs may have committed crimes punishable either by the Revised Penal Code or special laws.

These crimes include rebellion, inciting to rebellion and sedition, illegal assembly, resistance and disobedience to a person in authority, unlawful use of means of publication, and illegal possession of firearms.

Proclamation 348 grants amnesty to military and police personnel who may have committed acts punishable under the Revised Penal Code, the Articles of War, or special laws.

Not covered by the amnesty are crimes such as torture, arson, massacre, rape, and robbery.

Under both proclamations, an amnesty extinguishes any criminal liability for acts committed by the grantee. But an amnesty does not free him from any civil liability for injuries or damages inflicted on a victim.

The amnesty restores the grantee's civil or political rights. The National Amnesty Commission shall be composed of a chairman and three regular members to be named by the president; the secretaries of justice, defense, and interior and local government as ex-officio members.

The proclamation states that the surrender of firearms by the rebels is not a precondition for amnesty.

Sison: Proclamations 'Necessary'

BK0104115894 Manila PHILIPPINE DAILY INQUIRER in English 28 Mar 94 pp 1, 10

[By Jerry Esplanada]

[Text] Malacanang [presidential office] yesterday appealed to communist and military rebels to take advantage of the government offer of a general but conditional amnesty.

The leftist National Democratic Front and the rightist Rebolusyonaryong Alyansang Makabansa [Revolutionary Nationalist Alliance] have rejected the amnesty proclamations signed by President Ramos last Friday. They said any such plan should be the result of peace talks between the government and the rebels.

But Press Secretary Jesus Sison said the amnesty proclamations were necessary because "we have to have peace," adding that the president has issued them "in good faith."

Leaders of the Moro National Liberation Front and other Muslim rebels have yet to issue their position on the amnesty program.

Speaker Jose de Venecia yesterday acknowledged that some rebel leaders were likely to reject the president's amnesty offer but that their followers were ready to apply.

De Venecia also said there would be another amnesty proclamation after the conclusion of the peace talks between the government and the various rebel groups.

At least 25,000 rebels are expected to apply for amnesty, he said, adding that the Ramos proclamations are sure to pass the House of Representatives.

"The realpolitik of the amnesty is that there is a wide-scale acceptance from the lower and middle echelons because they are the ones fighting the war, they are the ones dying, famished, and unable to see their families," he told a news conference.

"The other leaders who are more adversarial to the amnesty can wait until the completion of the peace talks, but they should not prevent their comrades from availing themselves of the amnesty now," he added.

Sison said Mr. Ramos, in issuing Proclamations 347 and 348, "reached out to unify the divided forces of the nation."

"The next step is up to the rebels to take advantage of them amnesty proclamations," he said.

Proclamation 347 grants amnesty to all persons who in pursuit of political beliefs may have committed crimes punishable either by the Revised Penal Code or special laws.

It applies to all rebels, but it requires them to apply first.

Proclamation 348 grants amnesty to military and police personnel who may have committed acts punishable under the Revised Penal Code, the Articles of War or special laws.

Leftist groups rejected the amnesty program, saying it did not result from peace talks.

Renegade Lt. Col. Gregorio "Gringo" Honasan said amnesty was not the answer to the problems that gave rise to military rebellion.

Rightist rebels are more interested in pursuing their call for electoral reforms, reforms in the military, social justice programs, and good government, "not amnesty," he said.

Mr. Ramos, in issuing the two proclamations, said "the time for talking is over" and "the time to decide and act has come."

"These grants of amnesty are only part of the actions contemplated by the government in its unrelenting quest for a just and enduring peace for our country and people," he said.

"This does not preclude and is without prejudice to any legal arrangement that may result from a negotiated settlement which the government is still pursuing with the various rebel groups which I am hopeful will materialize soon," Mr. Ramos added.

But rebel leaders and other sectors cited several objectionable features of the two proclamations.

—The amnesty program is placed ahead of social reforms "which should be the government's primary concern."

—It does not guarantee that the rebels will be granted amnesty because their application can be opposed by anyone. It is at best a long, tedious process.

—It does not cover common crimes which most of the political prisoners are charged with or convicted of.

—The amnesty plan for soldiers and police allows human rights violators among them to be freed from liability as long as their offenses were committed in the course of the anti-insurgency campaign.

Under both proclamations, an amnesty extinguishes any criminal liability for acts committed by the grantee. But it does not free him from any civil liability or damages inflicted on a victim.

The amnesty also does not cover crimes such as torture, arson, massacre, rape, and robbery.

Rebels may apply with the newly formed National Amnesty Commission within six months after Congress concurs.

The Senate and the House of Representatives are on a two-week Lenten recess since last Thursday. Congress resumes sessions on 11 April.

De Venecia dismissed speculations that the proclamations might face rejection in Congress.

"Amnesty is a popular issue, why should we reject a program wanted by tens of thousands of people who are asking for peace?" he said.

Public Committee Hearings Begin

BK0104122794 Manila MANILA STANDARD in English 29 Mar 94 p 3

[By Marichu Villanueva]

[Text] Senator Rodolfo Biazon yesterday brushed aside objections to the second round of amnesty proclamations President Ramos issued last week especially the possible coverage of the convicted killers of U.S. Col. James Rowe and those of the late Senator Benigno "Ninoy" Aquino Jr.

Biazon pointed out that the two suspected communist hitmen, Juanito Itaas and Donato Continente, who were convicted of the Rowe assassination, and the 28 soldiers serving life terms for the Aquino-Galman double murder can not be covered by the two latest presidential amnesty proclamations. Biazon made his statement yesterday before he joined President Ramos in the state visit to Vietnam.

Biazon, chairman of the Senate committee on peace, unification, and reconciliation, classified the convicted Rowe killers and the Aquino assassins as criminals charged with "common" crimes or crimes committed not in furtherance of their political beliefs.

"For the common criminals, such as the convicted killers of Aquino and Galman and the convicted killers of Col. James Rowe, the president may consider granting them Executive pardon which does not require a concurrence of Congress for it is a private act of the president," Biazon clarified.

Under the country's 1987 Constitution, the grant of amnesty by the president is subject to concurrence of both chambers of Congress.

The Congress had earlier concurred with Presidential Proclamations 10 and 10-A that Mr. Ramos issued granting amnesty to all rebels who applied for it on or before 31 December 1992.

Biazon started Saturday his committee's public hearings on Presidential Proclamations 347 and 348 that Mr. Ramos issued last week which sought to grant amnesty to all rebels charged with common crimes in pursuit of their political beliefs and agents of state charged with human rights violation in relation to their counter-insurgency operations, respectively.

However, the latest round of amnesty grant's was not welcomed by leaders of communist insurgents as well as by military rebels who said they preferred an amnesty grant as a result of their peace negotiations with the government. In the case of Rowe's killers, the U.S. government is against their coverage of the amnesty grant.

"The objections of the rebel leaders to the amnesty are irrelevant because they have no right to decide for those who are already out of their control and influence because they have already returned to the folds of the law," Biazon pointed out.

Biazon disclosed that about 4,000 of these rebels from both the left and the right have come down from the hills but were forced to return to the underground because they were being charged with common crimes by relatives of their victims.

These rebels, he said, failed to avail themselves of the first round of amnesty grants which expired 31 December 1992.

Thus, he explained, Presidential Proclamation 347 aims to grant amnesty only to rebel returnees who have already come out and opted to lead a peaceful life but are not covered by Proclamations 10 and 10-A.

Thailand

Ministry Issues Statement on Repatriated Refugees

BK3103152494 Bangkok Voice of Free Asia in Thai 1030 GMT 31 Mar 94

[Text] The Foreign Ministry has issued a statement on the repatriation of 25,000 displaced Cambodians who fled the fighting into Thailand. The statement says Thailand provided assistance to the Cambodians by giving them temporary shelter on humanitarian grounds, hoping that once the situation in Cambodia returned to normal and was safe these people would return home quickly.

Subsequently, from 15-27 March the Thai Government sent these Cambodians back to their own country via Ban Saptari, Soi Dao District, Chanthaburi. The repatriation was the same as the action previously taken by the Thai Government and complied with the wishes of the Cambodians, who wanted to return to safe areas. Moreover, the Thai Government absolutely would not allow any armed group to enter Thai territory. The Thai Government (?is ready) to cooperate with the UN High Commissioner for Refugees and other international organizations in transiting Thai territory to assist these suffering Cambodians in their own country.

On this issue, the Thai Government has appealed to the UNHCR to consult with the Cambodian Government on establishing a safe zone in Cambodia for Cambodians fleeing the fighting in their country.

Foreign Minister Squadron Leader Prasong informed Prince Norodom Sirivut, Cambodian deputy prime minister and foreign minister, of Thailand's position during the latter's 28-29 March official visit to Thailand. The Thai Government hopes the international community understands its actions in this matter. Thailand had to shoulder the burden caused by displaced Cambodians for over 13 years, and it does not want such a burden again. The Thai Government has tried to implement its policy on this issue by taking both its international responsibilities and international interests into consideration.

PLO Delegation Arrives on Official Visit

BK0104141394 Bangkok Voice of Free Asia in Thai 1030 GMT 1 Apr 94

[Text] Faruq Qaddumi, foreign minister of the Palestinian Liberation Organization, or PLO, is paying an official visit to Thailand as the guest of the Thai Foreign Ministry. The 1-4 April visit to Thailand by the PLO foreign minister and his five-member delegation is aimed at further strengthening relations between the PLO and Thailand. The PLO foreign minister will exchange views with Thai officials on issues of common

interest, the promotion of bilateral trade, and the technical and agricultural assistance Thailand intends to give the Palestinian people.

Thailand has maintained good relations with the PLO for a long time. It recognizes that the PLO is the sole legitimate representative of the Palestinian people and support its endeavors to obtain the right to self-determination and the motherland of the Palestinian people. On 28 December 1993, the cabinet approved the establishment of a PLO representative office in Thailand.

At 1500 today, the PLO foreign minister paid a courtesy call on Foreign Minister Squadron Leader Prasong Sun-siri to discuss the status of the PLO representative office in Thailand. He is scheduled to give a special lecture on the Middle East peace talks at the Foreign Ministry. The Foreign Ministry will host a dinner reception in honor of the PLO delegation this evening.

Earlier, the PLO foreign minister and his delegation paid a visit to Singapore and will leave Bangkok for trade talks with Vietnam on 4 April.

Envoy to Burma Urges Cooperation on Salween River

*BK0104091494 Bangkok BANGKOK POST in English
1 Apr 94 p 12*

[Text] Thai Ambassador to Rangoon Mr Wirasak Futrakun said its time to Salween River was turned from the river of conflict into the river of cooperation which would provide both Thailand and Burma with mutual benefits.

Mr Wirasak said Thailand and Burma have been haunted by the "legacy of distrust" for a long time and that needed to be changed.

At present, Thailand and Burma are in the process of creating mutual trust the ambassador said. "We are trying to help Burma break political isolation by inviting them to be a guest country at the ASEAN meeting in June. And at the same time we facilitate the attempt of Burma to talk with the minority groups and stop the fighting."

"Thailand maintains a non-intervention policy. However, we hope that Burma and the minority groups will eventually reach a peaceful settlement. The border between Thailand and Burma should be the border of cooperation and not the border of conflict. The fighting between Burma and the minority groups along the border also adversely affects our country and our people."

The envoy said only when Burma settles the problem with the minority groups will that country will be able to start focussing on development. "The situation has somewhat inched towards peace as Burma has developed a more flexible stance when dealing with the minorities," he added.

The diplomat said Burma has tried to improve its image and that will take some time before it finds acceptance. "When I first arrived in Burma, it was under martial law. Curfew was imposed. Now there is more freedom. A number of political prisoners were released and Burma has somewhat decentralised its power."

"It has also drafted a new constitution which will have the presidency system. However, the military will continue to play an important role in that country. It's just like Indonesia. If we can accept Indonesia, why don't we accept Burma?"

He said he has eyed Burma with an Asian point of view. "I admit that I had in the past looked at Burma from the westernised viewpoint and I had misunderstood that I know the neighbouring country well. In fact, I came to realise that I knew very little about Burma which has a different political culture. Let's look at our neighbour from the Asian point of view, like people in the same region should think of."

Burma should be allowed to find its own political solutions, he said.

Thailand has initiated a number of projects to help Burma in the areas of public health in the rural areas, he said.

Apart from Thailand, many countries have approached Burma for its rich natural resources.

Debate Over Constitutional Amendment Reported

Assembly Continues To Debate

*BK3103154494 Bangkok Radio Thailand Network in
Thai 1300 GMT 31 Mar 94*

[Text] The special joint meeting of the National Assembly for 1994 began deliberating the draft constitutional amendments at 0940 today. National Assembly President Marut Bunnak chaired the session. After various matters were acknowledged, Praman Adireksan, the opposition leader in the House, proposed that the agenda be changed by advancing the ninth item on the agenda to the beginning. The ninth item dealt with the draft constitutional amendments of the combined opposition parties. Originally, the first item on the agenda was the draft constitutional amendments of the government parties. The government parties' draft calls for amending eight points in the Constitution, while the opposition's motion involves amending 25 points. The government parties opposed the change in the agenda order, but the change was approved by a vote of 342 to 199.

Extensive debate by Assembly members continued without a break. In the afternoon, the prime minister, sitting among the Democrat Party's seats, stood to counter the allegation by certain senators about the government's violent and excessive suppression of the people. The prime minister said the government does

not have a policy of resorting to violence and administers the country according to law. It intends to preserve democracy and prevent disunity. Regarding the alleged suppression, the prime minister said the officials on duty were working under extreme pressure and had to protect themselves.

The debates continued until 1800, when the session was adjourned by a vote of 351 to 176. A procedural roll call was then taken on the first reading on whether or not to accept the amendment proposals in principle. The voting ended at 1920 with a count of 369, with 194 abstentions, to accept the draft constitutional amendment of the opposition parties. The session ended at 1930.

The National Assembly totals 625 members—360 members of parliament and 265 senators.

The session will reconvene at 1000 tomorrow to consider the government parties' draft constitutional amendments.

Military Backs Opposition's Draft Bill

BK0104052894 Bangkok *THE NATION* in English 1 Apr 94 pp A1, A2

[Text] The Senate and opposition rammed a new draft charter through its first reading in Parliament yesterday and threatened to kill government-backed constitutional amendment bills today, plunging the administration into its worst political crisis.

All senior government officials and military leaders in the Senate, including Defence Minister Wichit Sukmak and Army Commander-in-Chief Wimon Wongwanit, gave solid support to the opposition's controversial draft, criticized by government MPs as plagued with errors and "dictatorial" clauses.

Prime Minister Chuan Likphai tried to play down the government's embarrassing failure, but calls mounted even within, his coalition for a House dissolution to stop what was described as a dangerous Senate-opposition conspiracy to bring back the "NPKC [National Peacekeeping Council] shadow".

Many government MPs, academics and political action groups called the development a "silent coup" by remnants of the National Peacekeeping Council, which seized power in 1991. A bloody pro-democracy uprising the following year disintegrated the junta.

The present Senate was appointed by the NPKC and has strongly opposed the Chuan government's attempts to whittle it down in size and reduce senators' powers.

The opposition, which took a promilitary stand prior to the 1992 upheaval, proposes maintaining the status quo while slightly increasing the size of the upper House.

Prime Minister Chuan said he did not expect any major political change. "I have said all along that changing the Constitution is not the government's duty. It's Parliament's," Chuan said. "The government has only 193

votes, which are not enough (to unilaterally pass government-sponsored amendments)."

The joint sitting of Parliament voted 369 in favour of passing the first reading of the opposition's draft bill, against 194 abstentions—mainly government MPs with a few senators.

The meeting then was adjourned, with threats to shoot down the government's eight amending bills today.

Chuan said he would not take action against Defence Minister Wichit who supported the opposition's draft. "I have told non-MP government officials that changing the charter is not an administrative matter and they were free to use their judgement," he said.

But other government MPs talked about a House dissolution, which some of them believed was imminent.

"I don't know what is going to happen next," government spokesman Aphisit Wetchachiwa told reporters. "This is a bad situation."

Ominous signs for the government came as soon as Parliament began an extra-ordinary session to deliberate charter reform yesterday morning. The Senate-opposition alliance outvoted government MPs, moving the opposition draft charter to the top of the agenda and sidelining the administration-sponsored amendment bills.

A tumultuous debate ensued. Government lawmakers outlined one "flaw" after another in the opposition's proposed charter and attacked Parliament President Marut Bunnak for violating parliamentary rules by not giving Parliament enough time to study the Senators and opposition MPs responded by accusing the government of jumping the gun by assuming that the Senate was not wanted by the public.

After the opposition's draft sailed through its first reading, Parliament set up a special panel of 45 members to vet the bill over the next month. Government representatives are outnumbered by opposition MPs and senators on the panel.

Parliament adjourned until 10 am today, when it will consider the government bills.

The Phalang Tham Party reemphasized its belief that Chuan should dissolve Parliament if charter reform proposals become deadlocked. But sources who attended the party's meeting yesterday said members were of an opinion that Chuan would be unable to justify a House dissolution and should instead resign.

"We are proud of the Senate," said Chat Phatthana leader Chatchai Chanhawan. "I think the Senate voted for us because we are sincere with the people."

Ratsadon leader Chaiphak Siriwat said the bureaucrat-dominated Senate's move meant the Chuan government had lost control of the bureaucracy and should resign.

Solidarity MP Khanin Bunsuwan, a government whip, said the opposition, in its "blind attempt" to topple the coalition, had been "used" by the anti-reform Senate.

Senator Somphop Hotrakit warned the government to withdraw the eight bills from Parliament or they would be rejected by senators today.

"We, senators, aren't slaves. We have warned the government not to trample on others' dignity," Somphop said.

"The military obviously wants its power back," said Phalang Tham spokesman Sutham Saengprathum. "The government will have to do something. But only the prime minister can say where the way out is. My duty is only to apply to run in an election."

Solidarity leader Uthai Phimchaichon said though the government had lost face, it was the opposition which would later suffer a major political backlash. "The ones who cheat will lose," he said.

Opposition leader Praman Adireksan was buoyed and adamant. "You I asked me whether the opposition's draft fulfills the wishes of the people. My answer is you must understand that this Parliament represents the people. Everything passed by this Parliament has passed a democratic process," Praman said.

Nine pro-democracy groups deplored yesterday's development and vowed to campaign to publicize the "bad points" of the opposition draft. Some of the movement's leaders suggested Chuan dissolve Parliament but others wanted the charter reform process to be completed.

Editorial on Defeated Proposal

BK0104120394 Bangkok NAE0 NA in Thai 1 Apr 94 p 3

[Editorial: "The Government Lost the First Round"]

[Text] The 31 March special session of the National Assembly, called to amend the Constitution, will probably go down in the history of the Thai parliament as the first time the government was defeated by the opposition from the very first issue on the agenda. That is, the opposition proposed an urgent motion to advance its draft amendments covering the entire Constitution to the top of the National Assembly agenda. The opposition and government had previously proposed drafts that would amend only eight and 25 items in the Constitution.

A heated debate preceded the vote on whether the opposition's draft should be moved to the top of the agenda. The government cited procedural regulations in its argument, while the opposition cited tradition and previous decisions by the parliament president. The reasons cited by both sides seemed acceptable, so the parliament president called a vote, which the opposition won overwhelmingly thanks to support from nearly the

entire Senate block. The government could only muster the votes of the coalition parties.

Certain people believe the government's defeat in the first round was caused by poor intelligence, a problem the prime minister has often complained about. The government was clueless about the opposition trick that occupied the government with whether the draft should cover eight or 25 points. The government decided only a couple of days before the scheduled parliament session to agree to the 25 points proposed by the opposition, hoping to win popularity among the people. Less than 24 hours before the session, however, the opposition sprang a surprise by proposing the amendment of the entire Constitution, using the 1978 Constitution as a basis and including some of its 25 points. The government could not adjust in time and was defeated in the first round.

Judging from the debate, one major issue the opposition did not touch was the status of senators. It even opened the door to increasing the number of senators in proportion with the size of the lower house. The Senate's power would also increase, making it more than just a rubber stamp. This resulted in the opposition receiving overwhelming support for its draft from the senators. The opposition's draft also removed the ban against politicians or bureaucrats becoming parliamentarians if they are judged to have engaged in corruption or amassed abnormal wealth.

The point we wish to emphasize to politicians—government and opposition alike—is that the amendment of the Constitution should not be an issue they must try to win at all costs or turn into a political game. They should consider what people throughout the country will gain from the amended Constitution.

Senate 'Revolt' Seen As 'Eye-Opener'

BK0104053094 Bangkok THE NATION in English 1 Apr 94 p A6

[Editorial: "Senate Revolt Is a Lesson for the Chuan Government"]

[Text] The opposition parties scored a political victory over the Chuan government yesterday by joining hands with the Senate to ram through a controversial charter draft which they claimed was aimed at national unity. It plunged the fragile coalition into its most serious political crisis.

Members of the coalition were evidently embarrassed when senators and the opposition collaborated to defeat the government on a procedural vote over which amendments to take first. They eventually voted together to get the opposition's bill adopted by the Parliament in its first reading. Two days before the extraordinary session was due to begin, the opposition tore up a gentleman's agreement made on Feb 15—that eight of the 25 proposed amendments would be introduced first, and after they had been passed, the others would be considered.

What happened yesterday was indeed an eye-opener. That the opposition is serious about national unity is certainly a joke. Promoting democracy is definitely the last thing on their mind and wanting to give a facelift to the Constitution so that it incorporates the aspirations, rights and liberties of all Thais was, and never has been, on their agenda. The many technical flaws which are obvious in the hastily drawn-up charter draft only dilutes the opposition leaders' claim that it was a serious piece of legislation.

Chat Thai leader Praman Adireksan, who is also the opposition leader, said the opposition was not bargaining for anything in introducing to Parliament a new charter draft. The opposition has carefully studied the changes for the people's interests, so he claimed.

We have to take this with a pinch of salt.

The opposition has chosen the 1978 Constitution as a model for a new charter because it would benefit senators, bureaucrats and political parties. Ordinary citizens come last.

The 1978 Constitution sets the size of the Senate at three-quarters that of the Lower House, which means that the number of senators would remain at 270 and not be reduced to 120, as had been agreed upon by the government and opposition on Feb 15. It allows senators to submit interpellations to Cabinet members and allows a nonelected official to become prime minister.

The opposition in fact baited the Senate to garner its support and it comes as no surprise why the Upper House fell hook, line and sinker for it. Without doubt, the interests of senators, many of whom are military men and senior bureaucrats whose vocabularies do not include the word democracy, would be protected.

On Tuesday, the opposition announced it wanted to do away with the present Constitution because it was a legacy of the National Peacekeeping Council (NPKC) which staged the February 1991 coup. The irony of ironies is that yesterday they had no qualms about joining hands with the Senate which was appointed by the military junta in early 1992. Rather embarrassing to our fledgling democracy, which was won on Rachadamnoen Avenue in May 1992, has been the Senate which has been described as an unwanted legacy of the NPKC.

They have, all this while, withstood any attempts to revamp their selection methods, curb their powers and reduce their numbers.

As the saying goes: Birds of a feather flock together. That the "satanic" character of the opposition should again rear its ugly head is indeed no surprise.

In 1992, some of them were clearly in the NPKC camp and, prior to the shootings of prodemocracy demonstrators on Rachadamnoen Avenue, were backing then prime minister Suchinda Kraprayun to the hilt. The fact that all the key military leaders, including Defence Minister Gen Wichit Sukmak and Army Commander in

Chief Gen Wimon Wongwanit, voted for the opposition's draft yesterday should have a far-reaching impact. But it is too early to draw a conclusion that they are deserting the coalition in favour of the opposition.

Technically speaking, with only 193 votes in Parliament, the government is really in for a hard time, especially when it can no longer count on the Senate for support. However, it has to be remembered that this is the government for which blood was shed in May 1992. In the September 1992 elections it was voted into power on a mandate of popular support.

The Senate's revolt yesterday should serve as a rude awakening for the Chuan government. Its initial vacillating over the amending of the charter has disappointed many people and paved the way for the opposition's offensive. The coalition has to take equal blame for what happened yesterday.

It is obvious that the opposition's ultimate aim is to force Chuan to dissolve the House with the hope that it can return with more seats in a snap election. Of course, it would be foolish to believe that a new election will bring in a new generation of MPs with an "angelic quality". The sure bet is that most, if not all, of the politicians associated with money politics will be able to buy their way right back into Parliament.

Our hope is that Prime Minister Chuan Likphai and his government learn a lesson from this latest political episode. It is still not too late for him and his coalition members to leave behind political bickerings to seriously set their sights on tackling issues besetting the nation. Only through serious work can the coalition hope to regain the public's faith which is fast dwindling. What can save the Chuan government now is not how it can outsmart the opposition, but how it can win over the hearts of the people.

Banker Comments on Government Control on Loans

BK0104121694 Bangkok KRUNGTHEP THURAKIT in Thai 1 Apr 94 pp 1, 7

[Text] Commenting on the Bank of Thailand's policy of encouraging Thai commercial banks to increase baht loans to the Indochinese countries, Banthun Lamsam, managing director of the Thai Farmers Bank, said his bank's Vientiane branch office has been unable to release many loans to local entrepreneurs because Lao law does not facilitate such bank operations. Meanwhile, Cambodia does not have any law to protect bank credits. Therefore, operations in that country are rather risky.

Banthun noted that current measures applied by the government to control the amount of loans are incompatible with the free trade market system. In other words, the measures are impractical because the demand for bank loans in Thailand is still high.

Banthun said: "In implementing the state bank's policy of increasing the baht's role in this region, the open market mechanism—that is, interest rates—must be allowed to control the demand for bank loans completely."

He indicated that the amount of trade among countries in the region will determine the expansion of the baht's role. The baht is, however, widely used as a medium of exchange in Laos. The Thai Farmers Bank will continue to make loans in neighboring countries provided it does not have to assume too much risk.

The managing director of the Thai Farmers Bank said the countries in which the baht is well recognized are Laos, Burma, and southern China, because they are engaging in the quadrangle economic development scheme. But the baht's access to Cambodia is hindered by the lack of legal support in that country.

Banthun said: "The baht has bright prospects in the quadrangle economic zone. It will be used as a common medium of trade by all parties participating in the development scheme."

Vietnam

Czech Delegation Meets Le Duc Anh, Vo Van Kiet

*BK0104053694 Hanoi VNA in English 1444 GMT
31 Mar 94*

[Text] Hanoi VNA March 31—President Le Duc Anh and Prime Minister Vo Van Kiet received here today on separate occasions a delegation of the Czech parliament led by Mr. Milan Uhde, speaker of the lower house of the Czech Republic, who are here on an official friendship visit to Vietnam.

Speaking to his guests, President Le Duc Anh expressed his hope that the cooperative relations between the two legislative bodies will be further consolidated and efficient not only in the fields of law, culture, science, technology also in economic field.

While receiving the Czech guests Prime Minister Vo Van Kiet highly valued the visit as an active contribution to the consolidation and promotion of the friendly and cooperative relations between the two countries. He also noted that together with the development of cooperation in the field of law, Vietnam and the Czech Republic have potentials in many fields to cooperate with each other and that Vietnam has abundant sources of materials and a contingent of skilled labour, the Czech Republic has advanced science and technology in glass production, said government's leader adding that this would be a promising cooperation field of mutual benefit.

The Czech parliament leader expressed his wish that the two government will sign protocols soon as legal basis for the development of cooperation between enterprises of

the two countries in conformity with the open-door mechanism of each country at present.

Holds Talks With Assembly Delegation

*BK0104053494 Hanoi VNA in English 1435 GMT
31 Mar 94*

[Text] Hanoi VNA March 31—A Vietnamese National Assembly [NA] delegation led by Chairman Nong Duc Manh today held talks with the visiting delegation of the Czech parliament led by Mr. Milan Uhde, of the lower house.

Among those present at the talks on the Vietnamese side were Vice Chairman of the National Assembly Dang Quan Thuy, Deputy Minister for Foreign Affairs Nguyen Dy Nien and Deputy Head of the NA's External Relations Commission Tran Van Phac.

Speaking at the talks, Chairman Nong Duc Manh the Czech delegation's visit a good chance for the two sides to exchange views on the issues of their common concern, aimed at contributing to strengthening the cooperation between the Vietnamese National Assembly and Czech parliament and the two peoples. [sentence as received] Chairman Manh informed the Czech delegation of the achievements recorded by the Vietnamese people in their renovation. He also expressed his satisfaction at the fine development of the friendship and cooperation between the two peoples in the recent years.

For his part, Speaker Milan Uhde informed the Vietnamese delegation of Czech socio-economic situation and external and domestic policy. He expressed his wish for the further strengthening of the friendship and cooperation between Czech parliament and Vietnam's National Assembly, and between the two peoples in the interest of each country.

Vo Van Kiet Meets Australians on Powerline Project

BK3103094194 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Mar 94

[Text] Prime Minister Vo Van Kiet recently held a working session with specialists from Australia's (PTI-Service) Consultancy Group to exchange views on tasks that must be completed to ensure the 500-kv north-south powerline is completed on schedule.

According to the group's report to the prime minister, the general objectives and project timetable are as follows:

- Construction and installation of the transmission system, power transformer network, and national control center will be basically completed by late March or early April 1994.
- Testing of all power transformer stations will be completed on 25 April.

—Combined testing will be completed by mid-May, allowing the transmission of 500 kv of electricity from Hoa Binh to Phu Lam to begin.

(PTI-Service) specialists are now working at all power transmission and power transformer stations to carry out project quality control. According to the latest inspection results, all project quality control requirements have been met. The prime minister reminded the specialists of the need to work out positive measures to guarantee the best results in terms of project quality and technical safety, in both the short and long term.

The specialists suggested that steps be taken in the days ahead to ensure close coordination among the group's specialists, the technical cadres of the 500-kv powerline project, the technical cadres of the Post and Telegraph General Department, and specialists of the [words indistinct] Company. In this way, difficult problems with communications and signals along the project can be tackled in a timely manner.

The prime minister also reminded the Ministry of Energy of the need to make sure the specialists and units in charge of the 500-kv powerline project place top priority on project quality and technical safety. At the same time, it is necessary to make every effort to complete the remaining work to ensure that the overall project can be commissioned at an early date.

Overseas Vietnamese Offered Incentives To Return

BK0104093994 Hong Kong AFP in English 0513 GMT 1 Apr 94

[Text] Hanoi, April 1 (AFP)—Vietnam has announced tax incentives as part of its campaign to encourage overseas Vietnamese to return and set up businesses here, a report said Friday.

Profit taxes for businesses owned by overseas Vietnamese, known as Viet Kieu, will be cut by 20 percent from April 16, the Tuoi Tre newspaper reported, citing a circular from the State Committee for Cooperation and Investment (SCCI).

Investment projects that already have a 10 percent reduction from the SCCI will not benefit from the tax incentive for overseas Vietnamese until after the period the "priority project" expires, the circular said.

Vietnam has been trying to follow China's success in winning investment from its overseas community but the results have been mixed so far despite the government's encouragement.

More than one million Vietnamese living in the United States are now free to invest here following the lifting of the US trade embargo in February but of those who have returned, most have come as business consultants rather than investors.

While overseas Chinese have often been resident abroad for generations, most Viet Kieu left here after the reunification of the country in 1975 and have not had the time to build up enough capital for investment projects here.

Political problems also persist on both sides, as many returning overseas Vietnamese are treated with suspicion by the authorities here and face opposition to their return from anti-communist Viet Kieu communities.

Vo Van Kiet Chairs Regular Government Meeting

BK0104114294 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 31 Mar 94

[Text] The government held its regular meeting in Hanoi from 30-31 March to assess its performance during the first quarter of 1994; to discuss its work schedule for the second quarter; to evaluate the initial results of the implementation of directives on the movement for thrift and against extravagance, corruption, and smuggling; and to review a number of draft laws and regulations. Prime Minister Vo Van Kiet presided over the meeting.

On behalf of the prime minister, Minister and Director of the Government Office Le Xuan Trinh presented a report on the results of the government's activities during the first quarter of 1994 and on a number of top priority tasks for the second quarter of the year. Interior Minister Bui Thien Ngo briefed the participants on the situation concerning corruption and on the results of the anticorruption campaign. Finance Minister Ho Te presented a report on the movement for thrift. Trade Minister Le Van Triet briefed the participants on the situation concerning smuggling and antismuggling activities.

The participants unanimously concurred that during the first quarter of 1994, in overseeing and managing state affairs, the government focused its efforts on key tasks and scored many results. Prompt efforts were made to grasp the opportunities offered by the outside world. Continued progress was made when it comes to balancing the state budget, mobilizing capital, and making payments. There was no indications of unexpected price increases. The industrial production continued to expand at a rate of more than 10 percent. Generally speaking, the socioeconomic development continued to bring about positive and steady results. In the meantime, efforts were made to improve the quality of cultural, social welfare, information, public health, and educational services. All those achievements have created a new momentum for the movement against social vices. Vigorous efforts were also made to step up diplomatic and external economic relations as well as firmly maintain political stability and public security and order.

Prompted by a high sense of responsibility toward the people and the implementation of the National Assembly's resolutions, members of the government seriously

examined the shortcomings and weaknesses they displayed in handling national affairs, especially in overseeing and directing the implementation of resolutions and directives of the National Assembly and the government.

The ministers analyzed difficult problems in many fields, including the generation of capital for production promotion, reception of foreign investment capital, financial management, handling of budget overspending, and so forth. On pre-Tet and Lunar New Year's Days, positive steps were taken to deal with corruption, smuggling, and extravagance as well as encourage everyone to practice thrift. Nonetheless, only limited results were recorded. Extravagance remained rampant. Social vices continued to develop to a serious degree in some areas. Slow efforts were made to improve the administrative apparatus and administrative procedures.

The government devoted much time to discussing and deciding on top priority issues to be resolved in the second quarter of 1994. For example, it is necessary for ministries, sectors, and localities to seriously implement the prime minister's directives on a number of tasks as follows: It is important to formulate plans to initiate the movement for thrift and against extravagance, work out measures to establish the capital market and draw investment capital for planned projects, make preparations for the stock market, take steps to perfect guidelines to the implementation of the local investment promotion law, prepare a draft law on tax reform, renovate the book-keeping system, apply the auditing system, regulate the currency exchange rate system and foreign currency control regulations, zone off targeted areas for economic development projects and other projects involving key sectors, prepare and adopt plans for the use of ODA[overseas development aid]-provided funds for the 1994-95 two-year period and the ensuing years, and accelerate the administrative reform program. Particularly, it is necessary to take resolute and urgent measures to improve administrative procedures.

Also during this session, the government reviewed and adopted a number of draft laws and draft regulations to be submitted to the National Assembly Standing Committee. They include the draft law on amending or supplementing the law on military service, the regulations on the income tax to be levied against high-income earners, and the regulations on the rights and duties which go with the use of land in Vietnam by foreign organizations or foreign nationals.

Speaking on this occasion, Prime Minister Vo Van Kiet emphatically said: Because of their sense of duty toward the people and the National Assembly, all members of the government must review the ways they handle affairs falling under their responsibilities, intensify supervision and control work a step further, and discover and take timely action against violations. It is necessary for all ministers to uphold the sense of responsibility toward the campaign against corruption, smuggling, and extravagance. It is important for them to exert tight control

over budget revenue and spending, practice thrift, and renovate the financial and accounting management mechanisms to make them consistent with the new situation. It is imperative for all ministries and sectors to review budget revenue and spending sources, and adopt measures to increase budget revenue and do away with all indications of extravagance.

The prime minister urged all ministries and sectors to remain sensitive to market demands, work out policies and mechanisms to stimulate production and make it appeal to the taste of local consumers, thereby effectively contributing to getting rid of smuggling activities.

The government stressed: As far as the second quarter of 1994 is concerned, it is necessary to focus efforts on applying five major measures aimed at increasing budget revenue, stabilizing currency exchange rates, attracting foreign investment capital, carrying on the movement for thrift and against extravagance and smuggling, intensifying the administrative reform program a step further, and stepping up project implementation direction and project quality control work, thereby contributing to successfully implementing the seven groups of major tasks that the Government has set forth for the year 1994.

Do Muoi Addresses Central Agencies Conference

BK3103095994 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 30 Mar 94

[Text] The Central Agencies Bloc 1 party organization convened a two-day midterm party conference from 29-30 March. Comrade General Secretary Do Muoi attended and addressed the conference.

The delegates evaluated the results of party-building work in accordance with the third midterm national party conference resolution and discussed measures to ensure that party organizations and party chapters fulfill two objectives satisfactorily; namely, building themselves into units that are firm, strong, and pure in terms of politics, ideology, and organization and satisfactorily carrying out their political role as advisers to the party Central Committee and state on matters related to the implementation of the renovation process.

Regarding orientations and tasks for the next two years, the conference set forth the following main objectives:

- It is necessary to guide cadres and party members in satisfactorily directing the implementation of each agency's political tasks and intensifying efforts to make the party firm, strong, and pure.
- Steps must be taken to foil the peaceful evolution strategy and encourage everyone to contribute toward the successful implementation of the third midterm national party conference resolution.
- Measures must be adopted so that the entire party organization fully grasps all party resolutions and state policies and lines.

- Efforts are needed to build firm, strong, and pure party chapters in terms of both politics and organization.
- Positive steps must be taken to fulfill satisfactorily the party organization's advisory role in suggesting general leadership patterns.
- Special measures must be worked out to institutionalize party policies and lines aimed at building the socialist Vietnamese state into a law-governed state that belongs to, comes from, and works for the people.

On behalf of the party Central Committee Political Bureau and Secretariat, Comrade General Secretary Do Muoi welcomed and commended the Central Agencies Bloc 1 party organization for its achievements during the first half of its term. These achievements are positive contributions toward the common success of the renovation process and the implementation of the seventh party congress resolution.

He stressed: Because of the fact that a large number of its personnel work with organs in charge of providing support services to the party Central Committee, state, National Assembly, and government agencies, the Central Agencies Bloc 1 party organization performs a very important role and has a very great duty to uphold. To be worthy of this important role and heavy responsibility, everyone must pay due attention to the task of making the party firm and strong in all fields. It is necessary to step up educational activities aimed at strengthening the ideological concepts of cadres and party members so they can firmly grasp the party organization's policies and lines and set a good example for others to follow. Practical plans must be worked out to help party members learn how to improve their professional skills and intellectual background as well as take the lead in the movement against corruption, waste, misappropriation of public funds, bribery, red tape, authoritarianism, and the tendency to distance oneself from the masses.

State Bank Issues New Interest Rates

BK0104091294 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 31 Mar 94

[Text] The governor of the State Bank, Mr. Cao Sy Kiem, recently signed a decision to adjust the rate of capital reissued by the State Bank to commercial, investment, and development banks, to 95 percent. The rate is 85 percent to the Agriculture Bank.

The rate of capital reissued will be calculated in accordance with the interest rate applicable on projects to be reissued with capital. For special cases the governor will make separate decisions.

The Gold, Silver and Precious Stones General Company will lend capital to supplement working capital at the interest rate of 1.6 percent per month. This interest rate is effective 1 April 1994.

Interest rates for other types of capital lending between the State Bank and State Treasury and other credit

organizations are unchanged and are still regulated by the decision dated 30 September 1993. Compulsory deposits of commercial banks that exceed the legal limit determined by the governor will receive an interest with the rate twice as high as the current interest rate applicable for savings of credit organizations deposited with the State Bank.

Maintaining Political Stability Deemed Crucial

BK3103152994 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 12 Mar 94 p 2

[Article by Le Huu Nghia: "Maintain Political Stability and Renovate the Political System"]

[Text] Over the years, we have made initial yet very important achievements in maintaining political stability and renovating the political system despite a very complex international and domestic situation caused by the crumbling of socialism in the Soviet Union and East Europe, the increase in sabotage against our regime by hostile domestic forces, and the occasionally acute difficulties with the economy and everyday life. The maintenance of political stability as it has been in the past has become a prerequisite for ensuring success in the renovation process. Political stability is also an essential factor in broadening international relations and attracting foreign investment capital. Political stability prevents people from losing confidence in the party and state.

The past few years have seen changes for the better in the organization and mode of operations of the party and state. Political and social organizations have developed in a more diversified fashion and their social character and dynamism have increased. The process of democratization has been initiated within the party and in society. Democracy has become more lively in political, cultural, and ideological activities. The roles of the National Assembly, various mass organizations, and the mass media have increased sharply.

Without our economic renovation achievements, the aforementioned achievements would have been impossible. Recent achievements in economic renovation have emerged as the most prominent ones. It is because of economic renovation that we have maintained political stability and renovated our political system in accordance with economic development requirements.

Our achievements in maintaining political stability and renovating the political system are the result not only of economic renovation, but of other important factors as well:

- The role of various factors in the political system, especially the role of our party, which has been quick to come up with a correct renovation policy that suits the objective reality and meets the aspirations of the masses, and which knows how to undertake renovation in accordance with principles and appropriate steps.

—Our people and our nation have a tradition of following the party. They voluntarily recognize party leadership. They do not want political instability or the collapse of the socialist regime. All of our people desire political stability so they can "earn their living," achieve economic development, and improve their livelihood. They do not want political pluralism or multiparty opposition, as this will only create social disturbances.

—Our Army and security forces are also loyal to the party and the people. They have a lot of experience in defending the fatherland and maintaining political security, public order, and safety. They are taking the initiative in effectively fighting attempts at "peaceful evolution" by hostile forces.

In addition to the achievements we have already made, there are many issues yet to be tackled:

—Recent economic achievements have only been preliminary. The market economy has just taken shape. Efforts to set a socialist course for the market economy are still uncertain and unclear, both in theory and practice. There is no way that the development of the market economy and the multisector economy can avoid creating an impact on the social and class structure, thereby affecting the political system. It is likely to create new complications in the political field. In addition, hostile forces are exploiting our effort to open ourselves economically and culturally to carry out sabotage activities aimed at creating political instability conducive to a change in our political course.

—Our state's ability to regulate and manage the market economy is still poor and weak, thus creating occasional confusion in the socioeconomic situation and encouraging activities that violate the law and good ethics (including tax evasion, production of fake goods, embezzlement, smuggling, and so forth). This only benefits opportunists and speculators who work hand-in-glove with degenerate officials in various state agencies. It should be noted that this is the main cause of corruption and smuggling.

—A segment of our people—including cadres, party members, and especially our youth—have not firmly grasped the real concept of the socialist ideal and orientation.

—Renovation in the organization and activities of the party, state, and mass organizations has not been effective. Likewise, renovation of the political system has not paralleled that of the economic domain, especially the strengthening of organizations and mechanisms. It can be said that bureaucratism and cumbersome are still prevalent in our state apparatuses. Our legal system is still poor and inconsistent, while law enforcement is carried out loosely, thus encouraging violations of laws and regulations.

—Our party activities to promote the market economy are inconsistent, while many issues related to the building of a law-governed state have not been resolved. The working mechanism designed to delegate authority and define duties and responsibilities between the law-building, law enforcement, and administrative agencies in the market economic system has not been fully established.

—A number of adverse factors have emerged that may cause political instability and promote the schemes of "peaceful evolution," sabotage, rebellion, and overthrow being carried out by reactionary forces at home and abroad. We should not belittle these factors. Instead, we should carefully study their complexity, dangers, and consequences in order to formulate active measures to prevent, overcome, and stop them.

Through our efforts to maintain political stability and renovate our political system in past years, we have drawn on some experiences and deem it necessary to carry out the following tasks:

1. Resolutely maintain party leadership while renovating party activities; reject political pluralism and the multiparty system, because this will allow the enemies of the class struggle to have a chance to compete with our party, thereby causing political instability and rebellion against our system.

2. Strive to combine correctly the economic renovation task with that of renovating the political system, taking the former as the main task.

3. Continue to take economic renovation as a basis for developing the economy and resolving various pressing problems in people's daily lives. Through these tasks, we will be able to restore people's confidence in the party while promoting ideological and psychological work.

4. Strive to resolve various social issues to create healthy social conditions for renovating and stabilizing the political system. To attain this goal, we must strive to: overcome promptly such pressing problems as corruption and smuggling; prevent decadent culture from coming into our country in various forms; oppose social injustice; create more jobs for the people; narrow the gap between rich and poor; settle the land problem in the countryside satisfactorily to prevent "serious causes" that may create social conflict; strengthen vigilance against the "peaceful evolution" scheme; and foil resolutely all sabotage and rebellious activities by reactionary forces at home and abroad.

Daily Warns of Socialist Disorientation

BK2703143694 Hanoi NHAN DAN in Vietnamese 2 Mar 94 p 3

[Article by Le Xuan Tung: "Some Thoughts on the Danger of Disorientation From Socialism in the Renovation Process"]

[Text] At the Seventh National Party Congress [SNPC], with a fine capacity for planning and making correct forecasts, our party referred to one of the first experiences of the renovation as: "We must maintain the socialist direction in the renovation process." At that time, this experience was mainly aimed at criticizing manifestations which denied the achievements recorded by socialist regimes and considered that socialism has all type of inevitable shortcomings. These manifestations will distract us on the goal and path to socialism in our country. The origin of these manifestations lay in the fact that socialism was facing great difficulties in Eastern Europe and the USSR and our country was in a critical socioeconomic crisis.

At present, after three years of implementing the SNPC resolution, we have recorded very important achievements both in national issues and external affairs. The stature and strength of our revolution is improving. An absolute majority of our people have increased their confidence in the party and state's line and policy, the socialist path, and the bright national future.

However, we still have many shortcomings, weaknesses, and newly arising problems. One of the newly arising problems, as mentioned in the political report of the Mid-term National Party Conference, is "the danger of disorientation from socialism if deviations in the line and policy and in the implementation of the line and policy are not overcome". This also proves that the lesson "We must firmly maintain the socialist direction in the renovation process" mentioned in the SNPC is still correct. On the other hand, this lesson has a new application, reflecting the real situation in recent years: that is, in addition to our fine and correct actions, we must be vigilant to prevent the danger of disorientation from socialism in the renovation process.

Does this danger exist? Is it a real danger or an exaggeration? Is it contradictory when we mention the danger of disorientation at the same time as referring to our achievements of the past years, because these achievements are the result of the correct line and policy and the efficient execution of our line and policy in life? Looking squarely at the truth, we must admit that the danger is real. That is not an exaggeration.

To say that our entire renovation undertaking, from all socioeconomic platforms and strategies to the line and policy and their implementation, is disorientated is totally incorrect and not in conformity with our great achievements. But it is also not correct if we say that everything has been fine, without chaos and confusion in any field or anywhere, and that we do not need an alarm about any danger. The truth is that, in the process of organizing the implementation of the renovation line, deviations, mistakes, and shortcomings have emerged. If we do not sufficiently prevent and overcome them with suitable measures, then who dare say that in the future the disorientation will not become bigger with unpredictable results?

Manifestations of disorientation have appeared, are appearing, and possibly will appear in the fields of the economy, politics, theory, ideology, culture, society, cadre organization.

There will be stronger manifestations of disorientation appearing in the implementation process due to an incorrect understanding of the line and policy.

Manifestations of disorientation may also appear in the process of outlining practical guidelines and policies to execute the socioeconomic platforms and strategies.

Manifestations of disorientation can not only appear in people who doubt our national advancement path. It is worth noting the possibility of unconscious disorientation in our cadres—though we have no doubt about their loyalty to the regime—due to their poor understanding, bureaucratism, and lack of responsibility in their work.

Negativism, especially corruption, is a fertile ground for those who act against the socialist direction and overlook the most correct line and policy for money.

Disorientation occurs on two sides: left and right. Both sides will cause damage. At present, we have to pay more attention to the rightist disorientation, especially when external forces are trying to impose this type of disorientation on us for their "peaceful evolution" goal.

It is difficult to fully cover all the types of disorientation within the limitations of an article. The disorientation from socialism has appeared at different levels. The economy is one of the fields that has shown such a sign.

In this field, there is no less incorrect understanding and wrong action, especially in the market economy. Some opinions have it that, in the market economy, capitalism and socialism are just the same with no differences, and speaking of the market economy under the socialist direction is coercive.

In fact, in both theoretical and practical contexts, the socialism-oriented market economy bears both similarities and differences to the capitalist market economy. Being market-driven economies, they both use the market as the basic tool in distributing and consuming economic resources; prices are to be determined in accordance with the rules of value and supply and demand; competition replaces monopoly; economic units are to be independent in production and business operations; production elements must circulate in the market, and different types of markets will come into existence.

The difference between the two is for whose interests state intervention in a market economy is supposed to serve—for the laboring people or for the exploiting minority. Production resources ownership is another difference. In socialism, the all-people and the collective ownership have gradually become the basic concepts, and the state-run economic sector is a leading element in

a multisectoral economy where ownership is displayed in various forms. In distribution, socialism uses labor as the main criterium.

These differences are domains where disorientation from socialism in the economy occurs.

Can we afford to continue to leave the situation as it is now regarding the heavily differentiated prices between industrial products and services, and agricultural products? Prices reflect economic relations and relations of interest. The existing price scale puts peasants in a disadvantaged position. While carrying out recent operations in various localities, many state trading establishments and trading cooperatives left the battlefield open to private traders in a number of areas such as production supplies, fertilizers, some agricultural products—rice, coffee grain, pepper grain, coconut—thus causing losses not only to producers but also consumers. These practices cause harm to the relations within the worker-peasant alliance. It also shows how important the state regulatory role is for a market economy.

Development of a multisectoral merchandise economy is the main concern in the renovation process of our party. We have completely eliminated the antipathy, prejudice, and prohibition against private capitalist and individual economic sectors, thus creating conditions for all production forces to develop for the sake of the country and the people. But deviations have come. Many people are now advocating the privatization of the economy, considering it the only path for the economy to take off. Equitization is also being seen as privatization. The various forms of production resources ownership are being regarded only as the means for economic development, and it is not essential to pay attention to the difference between state and collective ownership.

These are the points that a number of foreign forces would like to see developed in our country. The CHRISTIAN SCIENCE MONITOR journal in last January's edition carried an article by an overseas author saying: "The key of the political reforms in Vietnam lies with the private business sector.... The Vietnamese communists have braved all military attacks from the French and the Americans, but they cannot survive for long with the positive conditions created by private business." That shows too well what they want.

We all know that each society possesses not only the ownership forms it inherited from the society which existed before it, but it also has its own ownership relations which constitute particularities of that society. This is also true for our society. While we encourage the development of other economic sectors, we cannot pay any less attention to the consolidation and development of the role of state-owned, collective, and cooperative economic sectors.

Consolidation does not mean disorderly development without control and consideration for consequences. And development of the sectors does not mean we have to increase the proportion of these sectors to the highest

percentages in all domains of industry and trade. Reality shows that we have not done enough to keep the state-managed business sector worthy of its leading role in production and distribution. Again, to encourage development of the state-managed business is not to compensate losses and subsidize it from the national budget, as we used to do before. The same principle applies with the collective and cooperative economic sectors.

Among all agricultural cooperatives countrywide, only 12 percent of them satisfactorily operate. The operation of small business and handicraft cooperatives has been mostly spontaneous, leading to the current uncontrollable chain collapse of these cooperatives. In Hanoi alone where there used to be over 70,000 cooperative members, we now have less than one tenth of that figure. We do not want to maintain old-styled small business and handicraft cooperatives since they are no longer fit to exist. Cooperatives need to be revived with new vitality, and the state plays important role in this task. We should not use the simplistic distinction between state and nonstate business establishments as an excuse for neglecting these economic sectors, as the party platform clearly stipulates: The state and collective economic sectors are the foundation of the national economy.

Nonetheless, there is still much room for improvement. It is not our policy to apply an equal income distribution system because such a move would destroy the motives behind production and business operations. At the same time, we do not accept a very wide income gap, especially when it comes to income illegally earned. According to investigation results, nearly 18 percent of the households in the countryside and in high-altitude, remote, or former revolutionary base areas are still listed as poor. The average value of the assets of rich family members stands at 60 million dong each whereas that of poor family members in the countryside is less than one million dong each. In many cases, people who have made the most meritorious contributions to the revolution—survivors of fallen combatants, war invalids, members of the Armed Forces, retirees are also the very persons who experience the greatest difficulties in life. There are some business sectors which generate very high income compared with the general level of income distribution in society. There are many cases in which "some people have more than they need whereas others do not know how to make ends meet." This phenomenon is at variance with the nature of our society. If we do not work out appropriate measures to deal with this situation, the gap between the rich and the poor will be widened and social conflicts will increase in intensity. Here, the role of the state as a regulator is of great important significance.

Some people maintain that because we opt for the market economy, we must accept its negative aspects. It is true that besides positive aspects, the market economy also displays many negative phenomena. Nonetheless, this does not necessarily mean that we must adopt a negative attitude. Instead, we must persist in our struggle to limit, contain, and gradually eliminate those negative

aspects from social life. This undertaking requires much manpower and time. As far as the market economy is concerned, money has a very great role and effect. Nonetheless, there is no way we can accept a lifestyle in which we do anything to get money, regarding it as "God," and worse still, let it affect our conscience, honor, and human dignity. We may not use the market mechanism or customers' taste to justify our attempts to commercialize cultural and artistic activities. This would give rise to the development of unhealthy cultural and artistic activities. Realities indicate that such incidents have occurred. We may not interpret the elimination of the state subsidization system in a simplistic and indiscriminate manner. We may not use openness and cultural exchanges with the outside world as a pretext for allowing miscellaneous and harmful publications to penetrate our country. Such phenomenon have occurred. Prompted by goodwill, a foreign friend warned us: If you do not take timely counter-measures, you will be subjected to a massive invasion by material civilization. Nothing is more frightening than cultural invasion. You have won the war for national defense, which was rife with difficulties. Yet, in my opinion, that war is easier compared with the war on the cultural front in the days ahead. You should remember that if you lose your culture, you will lose our country as well. That poses a real danger if we do not heighten vigilance.

We must guard against disorientation even in party-building work. Disorientation occurs if party organizations belittle their leadership role and the principles governing democratic centralism, collective leadership and individual responsibility, and criticism and self-criticism. It also occurs when there is a lax observance of discipline and a low sense of unity and singlemindedness. If party organizations fail to assume their role as political nucleus, other political and ideological concepts will fill the gap. Of course, if party organizations take charge of everything, give orders to everybody, and fail to respect the law and other operating procedures of mass organizations, then that is another form of disorientation. It is the very objective of the current movement to renovate and revamp the party to overcome both of those two forms of disorientation.

It is necessary to point out that it is not easy to set a clear cut boundary between socialist disorientation and a firm grasp of socialist orientations at the initial stage. This is particularly true with the renovation process when things do not take well-defined forms at an early stage of development. Instead, this process requires time, research, and experiments before correct conclusions can be reached. Only by stepping up efforts to inspect, review, and draw experiences from real life situations as well as rectify mistakes can we overcome irregularities.

